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# Latin America Report

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2 September 1982

## LATIN AMERICA REPORT

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CAMILION: ARGENTINA MUST STRENGTHEN NEGOTIATING POSITION ON BEAGLE

Bahia Blanca LA NUEVA PROVINCIA in Spanish 10 Jul 82 p 2

[Article by Oscar Camilion]

[Text] A rumor has been circulating lately that the government would study the possibility of submitting the final agreement on the Beagle dispute to a referendum. This rumor succeeds the one that said President Bignone was going to submit the treaty to be signed with Chile to the congress to be elected in the next political phase.

The idea of the referendum, which is not new, includes important aspects of domestic politics, but we will not discuss them here. In their time those aspects were considered important in themselves; they were, so to speak, a way of testing world opinion with respect to the government during the Process. Today, however, it seems that the basic objective is to share a responsibility which those who actually have the matter in their hands do not wish to assume in its totality.

Without denying that the referendum--which is an institution foreign to Argentine constitutional law, although not incompatible with that law--may be an interesting political idea, there is no doubt about the competence of the present administration to conduct the republic's international relations. General Vignone's title is no different from that of other heads of the PEN [National Executive Body]. In addition, no country can maintain relations with the world and at the same time shield itself behind the provisionality of its transitory officials to reduce or evade its capacity for diplomatic compromise.

If one believed that the present government cannot pledge the nation's word, there would be very little sense in negotiating. The other countries and, in this case, Chile and the Holy See would think it most logical to consider finished the task of the Mediation Office, which was created thanks to the authority conferred by the two Montevideo Agreements of January, 1979, and signed by a de facto government. Although the border treaties are of particular importance, they do not differ in essence from other international agreements which can be negotiated and signed by provisional authorities. If, in addition, one takes into consideration the long period during which Argentina has been margined from the institutions of 1953, one would

have to conclude that the international legality of the governments of most of the last 30 years would have had to be challenged.

It must be very clear, then, that the present government can, without any doubt, conclude the negotiations with Chile and that the referendum is in no way essential to the legal validity or the political soundness of what is agreed upon, without denying that the idea in itself does not deserve to be rejected out of hand. Of course, it must be added that it would not be wise for official sources to make too many comments on the subject without knowing the reaction of the Holy See, which apparently did not receive with enthusiasm similar ideas explored during the administration of Gen Jorge Rafael Videla. This for the simple reason that the referendum presupposes a reservation for a second appear after the agreement had already been signed with Chile within the mediation framework, which might be viewed with distrust by the Holy See.

Is the Matter Urgent?

The fact is that the Beagle dispute has entered a particularly heated stage since the denunciation by Argentina, at the beginning of this year, of the 1972 Treaty of Peaceful Solutions. As we know, that treaty imposes the obligatory jurisdiction of the International Court of Justice at the request of either of the parties and for whatever dispute may exist between them. The Treaty of 1972 gave the Court very broad potential power. Virtually any dispute, regardless of its substance and importance, can be brought unilaterally to the International Court by Chile or Argentina. To tell the truth, rather than a treaty for the peaceful solution of any conflict whatsoever, this instrument envisioned a sort of permanent conflict between Argentina and Chile which would require the presence of a third party as guarantor of peace or, at least, as a brake to war.

Argentina's denunciation was necessary and inevitable before 28 June 1982, since otherwise the treaty would have been extended for 10 more years. Of course that denunciation should imply Argentina's willingness and determination to offer Chile an option acceptable to both parties, for diplomatic reasons as well as because of questions of internal politics of the other country. Chile, in turn, still has a period, which expires in December of this year--the 28th to be exact--in which to bring to the International Court any difference it has with the Argentine Republic.

Practically speaking, in spite of the numerous border conflicts between Argentina and Chile, the neighboring government has no good reason, other than the Beagle case, to invoke the eventual intervention of the Court. Not even the delicate problem of Laguna del Desierto, which certainly is a dispute, or the Boca de Magallanes question, which Chile considers a conflict, can be brought to any jurisdictional body at this time, because there has not been sufficient bilateral negotiating between the parties. For example, all the points which remain unmarked along the land border, some of which will be disputed, require that the procedures provided in the 1941 Treaty be exhausted.

On the other hand, the Beagle question obviously is a conflict. If the dispute is not settled through mediation, Chile has no other valid recourse at this time (until December, 1982) than the Court at The Hague. It is evident that for any authority in Moneda Palace, to give up recourse to the Court without having any other suitable option is the equivalent of treason, or at least of inconceivable negligence in the management of a delicate question.

In addition, the time period available is not the almost 6 months remaining until the expiration of the Treaty of 1972. A presentation of the type needed in the International Court requires a great deal of time. It requires the hiring in advance of lawyers of the highest international standing and that adequate preparation be made. As a result, there is not much time left before the expiration of the period which in practice will determine that Chile must make the decision to go to The Hague, which in turn will determine the end of mediation. (Furthermore it would be naive for anyone to think that such an attitude represented a unilateral desertion by Chile.)

Specifically, the question today for both countries is whether the Mediation Office will continue to exist or whether the way must be opened for a court appeal. For Argentina, it must be remembered, the court appeal, if Chile invokes it, is inevitable. Argentina could fail to appear at the proceedings of the Court, but in that case the trial would continue in default. Doubtless the final decision of the court would have "erga omnes" validity and could not be subjected to the half-truths and conditions with which Argentina was able to fight the arbitration decision of 1977. There is not the least doubt--and it is fitting to emphasize this among ourselves, who are so prone to be indifferent to what is happening beyond our own borders--that the final decision of the Court of The Hague would, for all the countries in the world, seal the fate of the border between the Argentine Republic and Chile in the area in dispute, which now is not only the subject of the arbitration decision (the hammer), but was also the substance of the Papal Proposal of 12 December 1980.

The reply to the question of title is, in consequence, positive. It is very urgent for Argentina to make some decisions in this matter, since the alternative at this time is either the papal proposal (which is being negotiated and as a result is subject to changes) on the one hand, and the decision of The Hague Court on the other. Since the Tribunal which handed down its decision in 1977 is composed of judges from that Court, it is clear what its emphasis would be. It is also clear that the opinion which confirmed Elizabeth II's arbitration decision is much more inconvenient for the country than the possibilities which exist within the framework of mediation. This brings up the question of the serious responsibility which has fallen into the hands of the present authorities, since an erroneous appraisal could place Argentina very quickly in an extremely negative and irreparable situation, if mediation should end. It is necessary to be sufficiently clear and frank to accept the fact that the option of using force is not realistic, if on some occasion a change came about which was politically convenient for wiser Argentine strategic interests.



## Necessary Publicity

It is obvious that this subject would have had a vastly different setting if Argentine diplomats had taken advantage of the opportunities for negotiation they had right in their hands, concerning the Malvinas, after 2 April and until Perez de Cuellar made his first proposal, inclusive. The very favorable framework which at that time might have surrounded the question of the islands occupied by England placed the overall problem of the South Atlantic in a very comfortable position. Now, however, it must be decided how to end the Beagle dispute in order to strengthen Argentina's long-term negotiating position (including Argentina's long-term strategic position) for discussing the Malvinas question, which has become the priority.

At this stage of the situation, without denying that the government must assume the responsibility which is incumbent upon it--which, of course, is neither simple nor easy--it appears proper to give all the publicity possible to the outstanding points of the Beagle dispute in order to facilitate a rational discussion of the matter with sufficient support and comprehension. It might even be advisable for previously unpublished records to be made public, such as those which led to the denunciation of the arbitration protocol of 1902 (with the British Crown), to the signing of the Treaty of 1972 and to the agreement on the arbitration compromise in the Beagle question. It would also be useful to publicize well some aspects of the negotiation which for a long time were naturally kept secret so that the diplomatic positions of the time would not be weakened.

Many things can be clarified in the treaty which is to end the dispute, particularly the essential ratification of the political principle of the May Agreements concerning natural defense and the permanent destiny of each country in its respective ocean. Perhaps the time has come to salvage the useful idea of an overall consideration of our current differences with Chile, so that there will be no causes of conflict remaining which might be dangerous in the future. Perhaps it is possible to transcend the situation which at this time has both countries cornered with a treaty limited solely, at this stage, to the peaceful solution of conflicts, which leaves another resource open in the Beagle case if a full understanding is not achieved with mediation. But what is needed here is what has always been lacking: to give priority to the overall criterion of our relationship with Chile, the premise of which is the final seal on the bilateral border, in a clear and unequivocal manner. Argentina has learned that it can have very serious problems, the most serious possible, with the most dangerous and powerful adversaries possible. Those problems have not ended. Our relations with Chile, seen in their totality, represent an important factor in our future security. We must, truly, have the rear well covered. In a border conflict like the Beagle dispute, and in the absence of an efficient method for treating other current disputes, to believe that the rear was protected after 2 April would have been unexcusable naivete.

8735

CSO: 3010/2091

## POLITICAL LEADERS REACT TO NEW MINISTERIAL APPOINTMENTS

## Reservations of Lopez Michelsen

Bogota EL TIEMPO in Spanish 8 Aug 82 pp 1-A, 6-A

[Article by Leonel Fierro T.]

[Excerpt] Alfonso Lopez Michelsen, former president and head of the liberal sector, and Sen Alvaro Gomez Hurtado were not satisfied with the representation of their political parties in the ministerial cabinet of President Belisario Betancur Cuartas, according to statements made yesterday by sources close to the two leaders.

These statements maintain that last night Lopez Michelsen was preparing a pronouncement to discuss this subject and to convene the liberal parliamentary junta to decide whether or not to accept this representation.

The meeting is scheduled for the middle of next week and will thoroughly explore all the criteria available on the method of cooperation with the new government.

Some members of congress who were questioned by EL TIEMPO admitted they had serious reservations about the representivity of the liberals included in this first government cabinet; however, they refrained from offering any opinion on the pronouncement of Lopez Michelsen and the junta.

Similar views were held by the conservative group which is following the guidelines provided by Gomez Hurtado and which maintained that only one authentic representative of its political party, Roberto Gerlein Echeverria, a senator from the coast, had been called upon to fill a ministerial position, that of minister of economic development.

However, sources close to President Betancur Cuartas said that the minister of communications, Bernardo Ramirez, has also been characterized as a member of that conservative party and recalled that he has been associated with the newspaper EL SIGLO for many years.

In the case of the former president of the Farmers Association of Colombia (SAC), Roberto Junguito, he is considered closer to Betancur Cuartas himself than to Gomez Hurtado.

Similar observations were made with respect to former Mayor Bernardo Gaitan Mahecha, who was appointed to the Ministry of Justice in representation of the officialist liberal sector, while many knew of his sympathies for President Betancur Cuartas, and also with regard to Jorge Garcia, the new minister of health.

Jose Gernando Isaza, minister of public works, was described as a Turbayist; and Edgar Gutierrez, minister of finance, and Jaime Pinzon Lopez, minister of labor, were tagged as Llerists.

One symptom of the malaise produced in the Lopist sector by the Betancur Cuarta cabinet was the announcement that the former director of the Civil Service and Bogota city councilman, Satoria Esguerra Portocarrero, will decline her appointment as vice minister of public works.

The withdrawal of the young attorney, who was linked with Lopez Michelsen's campaign in the capital of the country, is said to demonstrate the discontent over the appointment of other liberals who are not recognized as authentic representatives of the official party in the government which is now beginning its term.

This leader's decision will be echoed by Cecilia de Rodriguez, also a liberal Lopist, who was appointed vice minister of agriculture.

The two appointees will make their decisions official early tomorrow morning, the first day of the new government's term.

#### Galan Waiting to See What Happens

As for former presidential candidate Louis Carlos Galan Sarmiento, who had announced that he would accept no position in the Betancur Cuartas government--except in the inspection organizations--said that he was waiting to see what happens and asserted that he was awaiting the initial decisions of the president before offering an opinion on them.

Galan Sarmiento met with several parliamentarians of his group before attending Betancur's inauguration, in his capacity as a senator.

His position is one of supporting the president's initiatives to the extent that they are in accord with his own ideas of the solution to the country's social and economic problems, as he has reiterated on many occasions.

#### Galan Expresses Pleasure

Bogota EL TIEMPO in Spanish 9 Aug 82 pp 1-A, 7-A

[Excerpt] The head of New Liberalism, Luis Carlos Galan Sarmiento, said yesterday that the ministers appointed by President Belisario Betancur Cuartas make up "a good cabinet" and indicated that even though some of them were apparently chosen on the basis of political considerations, there is no doubt that this was not done to pay off election favors but rather with a view to obtaining a working cabinet.

Galan said: "It is a good cabinet. It reasonably reflects the national spirit with which President Betancur wishes to infuse his government. The liberal ministers are public servants who have technical skills and at the same time political credentials. None of them is a member of New Liberalism; therefore, I can more freely offer my opinion about the cabinet. I am not acquainted with all of them, but I think they constitute a competent team."

#### The Liberal Ministers

Galan next analyzed several of the members of Betancur's ministerial team, beginning with the liberals.

For example, he said: "Minister of Government Rodrigo Escoabar Navia has earned the respect of the various sectors because of his intellectual capability, administrative skills and balanced temperament."

With regard to Minister of Justice Bernardo Gaitan Mahecha, he said: "He was a good mayor of Bogota who handled the principal public enterprises and worked efficiently, without undue publicity; and I feel that his role in the ministry can be very important, because he is an excellent criminal lawyer, having practiced law for 30 years."

He added: "Minister of Finance Edgar Gutierrez Castro is a man with experience who as a good citizen is taking on the most difficult responsibility in government, given the big fiscal, exchange and financial problems which the new administration is inheriting. Since the national economic crisis is intimately linked with various Antioquia problems in the last few years, it seems quite interesting to me that an Antioquian will take up the reins of the new economic policy."

As for Labor Minister Jaime Pinzon Lopez he said: "He is a person who has been trained in legal disciplines and educational questions."

With respect to Health Minister Jorge Garcia Gomez, he said that he has a brilliant record in his professional specialty and noted: "Judging by his initial statements, he is proposing very concrete objectives for his ministry."

With regard to Public Works Minister Jose Fernando Isaza, he noted that it will be this man's responsibility to confront the bankruptcy of the Highway Fund and the many projects that remain half completed. He said: "I hope he takes office without the abusive political constraints he had as presidential delegate during the last elections."

#### The Conservative Ministers

Galan Sarmiento also analyzed the conservative ministers and, even though he did not give a separate evaluation of each of them, he commented: "The government has great interest in assuring the solidarity of that party in Congress."

In his opinion: "We have a very qualified technician coming on the scene in Agriculture Minister Roberto Junguito. And there are other active figures in Congress on their way up, such as Foreign Minister Rodrigo Lloreda Caicedo, Department Minister Roberto Gerlein Echeverria, Minister of Mines Carlos Martinez Simahan and Education Minister Jaime Arias Ramirez.

"I believe that the appointment of some of them," he added, "was more political than technical; and that could cause problems.

"I am not acquainted with the new Minister of Communications," he noted.

However, he said that as a whole the cabinet is young and made up of men trained within the political framework of the National Front.

"It is not a cabinet characterized by continuity; and, even though one or two important figures were in the previous government, the new government is superior to the one which has just completed its term."

Galan noted several political influences in one or two ministries: "Probably to establish bridges with sectors of Congress; however, without a doubt this cabinet was not appointed to pay off election favors but rather to govern."

8143

CSO: 3010/2146

CALDERON DISCUSSES ECONOMIC, POLITICAL SITUATION

San Jose LA REPUBLICA in Spanish 18 Jul 82 p 9

[Report on interview with rafael Calderon Fournier by reporter for LA REPUBLICA Danilo Arias Madrigal; date and place not specified]

[Text] According to Rafael Angel Calderon Fournier, Costa Rica is in serious trouble.

The former candidate of the Unity Party demands action from the government in a calm but resolute manner.

He summarizes his demand in these words: "Government action is imperative now. Tomorrow may be too late."

Foreign Debt

What about the \$4 billion in foreign debt?

That is a problem that causes repercussions in the economic life of the country.

What should be done?

The most important thing is to restore confidence in Costa Rica on the part of the financial world. He explains, "We must revitalize our economy, and to accomplish that, an agreement must be signed soon with the International Monetary Fund [IMF]. The foreign debt must be readjusted, and IMF assistance is necessary.

Devaluation

"The country needs a change in its economic structure. Excessive protection should be eliminated, and exportation should be encouraged. We need incentives for our exports." He is a strong advocate of a single rate of exchange since, "the current chaotic system of the government cannot be continued in which there are four different rates of exchange: 20 (for limited use), 38 (called the bank exchange rate), 62 on the public exchange and the black

market where the dollars is traded for 75 colons. This chaos with regard to the dollar must be ended in favor of a single rate of exchange to help the farmer and the exporter. Under the present system, the producer is discriminated against.

What would the exchange rate be?

The one established by supply and demand. Then the country will know on what to rely in international transactions instead of the present fluctuation. The colon should be raised to its true value. Calderon cites history, "The colon was subsidized for a long time at a parity of 8.60 with the dollar which was completely inaccurate. It would have been better to begin to devalue slowly in October 1976 rather than to arrive at a sudden devaluation of almost 700 percent."

Social Unrest

Are we sitting on a keg of dynamite regarding social problems?

Calderon Fournier pauses, lights a second cigarette and explains, "I am deeply concerned about high unemployment and the housing shortage and the fact that each day the possibility of a worker obtaining property or owning anything in this world is slipping away."

Any changes in the economic framework?

Changes must be made in order to combat the high unemployment. Strong incentives must be given to the private sector so that it can resolve the problem. This sector will take on the responsibility of solving this problem which has such a great impact on our country because we can no longer expect the government sector to do anything in this area.

What about housing?

Our party has a national plan for gradually solving the housing problem. The pension fund would be transferred to a housing fund month by month. It would involve 8.3 percent of the payroll. With this money and 30 percent from family allowances, the government could generate the funds necessary to finance the construction of 15,000 houses per year. Calderon exclaims, "In 15 years the problem will have been eliminated." He lists as some of the advantages of the plan that employment will be stimulated, resources will be mobilized, and there will be economic growth.

Profit sharing?

The plan would be for businesses to provide profit sharing which would offer employees the opportunity to be a part of the companies for which they work. Of the 8.3 percent of the pension fund, 5 percent will be for profit sharing and 3.3 percent for the housing fund.

Calderon reaffirms, "This is the 20th century alternative for Costa Rica. With our plan, the housing problem is solved, profit sharing is encouraged, jobs are generated and the employees are given the opportunity to become part of their respective companies. We are going to fight for this plan in place of the labor economic system.

#### Terrorism

Calderon says, "not yet" in response to a question about whether the situation in Costa Rica is a favorable environment for the advance of terrorism. "A desperate population is inclined to embrace terrorism, but that is not the case in Costa Rica now. The best way to fight terrorism is with social justice, and Costa Rica has very advanced programs in that area.

Therefore, there is no widespread popular support in Costa Rica for terrorist activities or for terrorism itself, but it is an isolated phenomenon, and so peace officers must be trained, but the best plan is to provide social justice, a roof over peoples' heads, social guarantees and to combat hunger at all costs."

#### Delegates

Calderon Fournier was a delegate, and he knows the legislative assembly very well. In his judgment, "the deputies of my party have done a lot of good work in 2 and a half months. They have a clear and definite plan, and they take responsibility for the projects proposed by them.

#### The Liberation Party?

The government still has not come up with a single plan with any substance. The tax package is old news, and the one dealing with the Central Bank is patchwork. There is division in the Liberation Party which has jeopardized the work of the legislative assembly. Calderon has one comment, "There is no unity. The country has witnessed the disputes among the Liberation Party deputies and between the deputies and the Central Bank. President Monge even had to intervene."

#### And your party?

We are responsible. We are the opposition but a responsible opposition.

#### What does that mean?

Our inspiration in opposition is this; first the country, then the party. Costa Rica comes first. And it will be that way until 30 April 1986!

#### Politicians

Rafael Angel Calderon analyzes politicians this way:



Oduber: Daniel, well even he does not believe what he says about his new candidacy. Never, I repeat never, will Oduber be a candidate for the presidency based on a reform of the political constitution when our votes are counted. Never, and let the country understand it, will there be a vote for a reform that would allow for presidential reelection. Not even the 33 members of Liberation are in agreement, so that reform will not have 38 votes.

Fait: I have a great deal of respect for him. It is too early to judge him.

The other seven: The Liberation Party has the internal problem of having seven members who aspire to be its candidate. That is their problem.

Figueres: He still holds the same positions he has always had.

Carazo: I respect his stance of preferring not to talk.

United People's Party: Many internal problems. It is fighting for the leadership of the far Left.

Calderon F--O.K.

President Monge

Calderon had a meeting last Thursday, 9 July with President Luis Alberto Monge.

"That is true. I met with President Monge, and although we agreed not to talk about the meeting, since you are asking me about it, I cannot deny it. We discussed the situation in the country and threats in the international arena."

For Calderon, "these types of meetings with the president are natural. It is normal to have meetings like these in a democratic country that enjoys a great deal of political maturity."

How would you judge the job of Monge during the first 70 days?

It is too premature to make a judgment. Monge has very good intentions, but the Liberation Party has no programs. It is just now starting to come up with programs and plans. I believe that the Liberation Party is getting weaker every day and that our party is becoming stronger.

What expectations do you have for Costa Rica?

It depends. We need decision now; we need action now. If the government is strong, I have faith that we Costa Ricans will be able to survive the crisis. Otherwise, we will be swallowed up by chaos. Therefore, steps must be taken, not next week or next month, but now.

## Central America

Taking a quick glance at Central America, Calderon Fournier foresees a possibility for the establishment of democracy through elections in the northern sector (Honduras, El Salvador and Guatemala). But in the case of Nicaragua, he declares without reservation, "It is a dictatorship without prospects for elections in the near future.

Costa Rica should not intervene in the internal affairs of Nicaragua. We will leave that to the Nicaraguans. It is their problem. Costa Rica should be prepared to protect itself through the inter-American system and to ask help from friendly countries if our sovereignty is violated in such a way that would endanger our country."

In concluding the conversation with Rafael Angel Calderon, with four cigarette butts in the ashtray, this was the final question:

Will you be a candidate for the presidency in 1986?

His one-word answer: maybe.

9787

CSO: 3010/2032

## BRIEFS

FARMERS' REQUEST TO MONGE--Jose Eladio Gutierrez, press secretary for the National Union of Small and Medium Farmers, has said that this organization recently proposed to President Luis Albert Monge that he govern by decree. We are willing to support the president in all respect so that he can find a solution to the country's problems in his own way. In fact, we would even replace our machetes with rifles, Gutierrez said. He added that the farmers are very upset because despite Monge's opposition to the bill on export taxes members of his cabinet submitted it to the Legislative Assembly. The National Farmers' Union feels that deputies are not legislating for the Costa Rican people but for a privileged minority; and for this reason, the Legislative Assembly should be closed and the president should govern by decree. We think that Monge has very good plans as well as qualified personnel to help the country advance, Gutierrez noted. He again expressed his opposition to the government employees' demands for wage increases and asked the government not to grant them. [Text] [PA161712 San Jose Radio Reloj in Spanish 1200 GMT 16 Aug 82]

YOUTH DELEGATION TO BULGARIA--On 13 August six Costa Rican youths; accompanied by the deputy minister of culture, youth and sports, will travel to Bulgaria to attend the second international "Flag for Peace" assembly. Each of the young people will participate in those artistic activities for which they are best qualified, including music, painting and so forth. The group will remain in Sofia for 10 days. [PA121504 San Jose Radio Reloj in Spanish 0100 GMT 12 Aug 82]

MISKITOS COMPLAIN OF TREATMENT--San Jose, 17 Aug (ACAN-EFE)--A group of seven Miskitos, who managed to flee from Nicaragua in a 12-day journey in small boats and on foot, have met serious difficulties in Costa Rica, Nicaraguan opposition spokesmen said here. The Miskitos left Puerto Cabezas in northern Nicaragua, and having covered approximately 300 km, arrived at Puerto Limon on the Costa Rican Atlantic coast. Three of them, Raisel Amin Wilson, 18; Gregorio Carlos Lacayo, 17; and Nazario Carlos Lacayo, 15, were taken into custody by Costa Rican authorities, according to Nicaraguan exiles. Four other Miskitos were given shelter by religious groups in Puerto Limon. The Miskitos have declared that "they can no longer bear the Nicaraguan Government's persecution." They said that they suffered hunger and great hardships in this risky 12-day trip toward Costa Rica. [Text] [PA190432 Panama City ACAN in Spanish 0056 GMT 18 Aug 82]

CSO: 3010/2182

## 'ULTRAREACTIONARY' THINK TANKS' SUPPORT FOR REAGAN DESCRIBED

Havana GRANMA in Spanish 24, 26, 28, 30 Jun; 1, 6, 13 Jul

[Serialized article by Roberto Alvarez Quinones: "Contribution of Reactionary Intellectual Underpinnings to the Imperialist Political Apparatus"]

[24 Jun 82 p 2]

[Text] In recent years, a relatively new phenomenon has arisen in the United States that is imparting a more technocratic, reactionary character to that nation's governmental structure.

We are talking about what have come to be called "think tanks," which this writer is so bold as to render as Yankee "tanks for ultrareactionary thinking" [TPU].

What is new is that the think tanks, created by foundations, research institutions, universities and other institutions that are not so new, have become real sources of the political leaders and top officials responsible for formulation and execution of the U.S. Government's domestic and foreign policy.

Moreover, not only do they supply the bulk of the government's experts and officials but, as has occurred with the Reagan administration, these centers even influence key elements of Washington's policy.

The tanks for ultrareactionary thinking are private organizations whose essential mission is to sell, disseminate, and now also to imbue the Yankee government with, anticommunist, reactionary, and even fascistic, ideology, which can become a sort of armor against any "contamination" by progressive--or even liberal--ideas.

Thus, centers such as the American Enterprise Institute, the Hoover Institution at Stanford University in California, Georgetown University in Washington and its Center for Strategic and International Studies, the Heritage Foundation, and others have, since the early 1970's, become intellectual tributaries to the U.S. Government, especially under Republican administrations, Ronald Reagan's in particular.

Stanford University alone supplied 22 of its faculty members as advisors and top officials for the present administration, while Georgetown University contributed 15.

Plainly and simply, the think tanks are needed by the North American imperialists' political apparatus.

Despite the honeyed anticommunist, diversionary theories of the Convergence, the Post-Industrial or Technotronic Society, Technological Determinism, and so many others that advocate de-ideologization of the masses and assert that the world is moving toward a society without ideologies, dominated by science and technology--and with private property, of course--those who have the capital and the power in the United States have perceived that, on the contrary, these days ideas are increasingly important as well as the way in which they matter.

They know that today the lower and middle classes of the bourgeoisie are no longer receptive to traditional political rhetoric, that they are not easily seduced by mere campaign promises and slogans. Although the economic and social crisis (inflation, unemployment, anxiety, etc.) primarily strikes the great working-class majorities, it also leaves its marks on the lower bourgeois classes, which believe less and less in the United States' political leaders and candidates for leadership posts.

One of the objectives of these "idea factories"--as they are also called--is to halt what Yankee ruling circles call the growing "apolitization of the people" and reverse this trend, sowing in the minds of the North American people the belief that a return to the past is absolutely necessary: "cold war," raging anti-communism, economic liberalism, and so forth. This is so that the United States can again be the undisputed champion of the West, dictating at will the planet's destiny, and so that Yankee society can again be the never-never land painted by Hollywood.

It is for this reason that nearly all the TPU's are characterized by their morbid anticommunism, their excessive, obsessive anti-Sovietism, and by their attacks on socialism, on progressive ideas, and even the liberal ideas of North American politicians. They maintain that state intervention in economic matters smacks of "communism" and is responsible for the economic crisis the country is suffering. Hence they must return to the "laissez faire" system and leave economic developments up to the spontaneity of the free market, restore "confidence in free enterprise," and head off the "communistoid" tendency to involve the bourgeois state "in the private lives" of capitalists.

[26 Jun 82 p 2]

[Text] As we saw in the previous installment, the Democratic and Republican party machinery is no longer able to generate, by itself, convincing or vigorous intellectual movements, much less enthusiasm among voters.

Those electoral apparatuses have in large measure become a ritual or a memory of a nostalgically revered past (to the Yankee ultraright) in which the two parties alternating in power in the United States claimed to set forth in their platforms and programs the aspirations of the North American people.

Now, to inspire the increasingly skeptical U.S. voters, they must have recourse to the think tanks, the centers specializing in furnishing "new" reactionary ideas and supplying men able to carry them out within the country's government.

Thus, select teams of professionals, past or present denizens of these tanks for ultrareactionary thinking (TPU), are placed in charge of drawing up in detail the plans, the political programs, and even vital aspects of the United States' imperialist global strategy.

Rhetoric has given way to anticommunist, arch-reactionary intellectual work. The Yankee ultraright's nostalgia is gaining ground now with the think tanks' ideological and political support of it.

A striking example of that is the document by the so-called "Santa Fe Committee," drafted by a small fascistic group in May 1980. As soon as Ronald Reagan assumed the presidency, it became the backbone of Washington's policy toward Latin America, characterized by its aggressiveness, its fascist flavor, its arrogance, its morbid anticommunism, and so forth.

Of course, these Santa Fe wise men are active members of the think tanks. Roger Fontaine, one of the principal authors of the political document referred to, is one of the brains at the Center for Strategic and International Studies, located at Georgetown University in Washington.

More than a few political leaders on the Yankee extreme right, when assessing the importance to them of the tanks for ultrareactionary thinking, openly boast that the centers, by their very nature, are immune to "communist ideas."

They maintain that these institutes and study centers are so expensive that they are well out of the reach of the majority. These "idea factories" are financed by foundations and supermonopolies, which happily invest large sums of money in the centers supplying the experts and political officials who are winning key positions in each U.S. administration.

Only very powerful conglomerates and wealthy people can finance or enter the think tanks. The danger of "contamination" by progressive ideas seems remote.

The TUT's, then, spring from the very roots of accumulated imperialist capital, moving forth to conquer hearts and minds and to provide theoretical backing for that capital. At the same time, the supermonopolies and foundations that finance them consequently obtain greater direct influence and weight at the top of the U.S. Government. They are thus clearly ahead of those who have yet to enter the game of "tanks."

Of course, the gigantic, oligarchic multinationals' growing interest in the TUT's is not political alone. They also produce profits. People everywhere now talk about the successful marketing of the ideological/political goods produced at the think tanks.

That explains why, in early 1982, among the rich uncles and godfathers of the most important TUT's there were a dozen foundations--the "philanthropic" facades of supermonopolies--that together have several billion dollars' worth of assets. This does not include the dozens of conglomerates that operate directly in these centers without the disguise of any foundation whatever.

It is also true that the TPU's compete and fight among themselves in the recruiting of the most talented, or least scrupulous, researchers and of the experts and professionals with the greatest political ambitions and plans. A single condition is common to all the recruits: to be a visceral anticommunist.

[28 Jun 82 p 2]

[Text] The phenomenon of the think tanks, which could be rendered precisely as tanks for ultrareactionary thinking (TPU), has grown so much lately that at the close of each U.S. administration, these centers compete to find out which will place more of its people in the new government and which will recruit more officials from the outgoing administration to serve as their refuge while they prepare for their return to power.

In 1977, for example, the John M. Olin Foundation (farm chemicals and sporting weapons) contracted with William E. Simon as soon as he left his post as secretary of the Treasury at the end of the Gerald Ford administration. Ford himself was immediately recruited by the powerful American Enterprise Institute (AEI) on leaving the White House, while Henry Kissinger dropped anchor in the no less important Center for Strategic and International Studies (CSIS) at Georgetown University in Washington. He was followed by James Schlesinger, former secretary of energy. The troglodyte Zbigniew Brzezinski has also become associated with the CSIS.

With regard to the reverse flow, from the TPU's to the White House and administration, it is greater and expanding rapidly. It is sufficient to say that with Ronald Reagan's ascent to power--as we saw in the first installment of this series--two think tanks alone, the Hoover Institution at Stanford University in California and the CSIS, contributed a total of 37 professors, who became Reagan's advisors or high officials in the government.

To cite only a few cases, Jeane Kirkpatrick, the cave-dwelling present ambassador for Washington to the United Nations, left Georgetown University; William French Smith, attorney general--now under investigation by his own department--comes from the CSIS; Martin Anderson, national affairs advisor to Reagan, comes from the Hoover Institution; Reagan's right-hand man, Edwin Meese, is one of founders of the Institute for Contemporary Studies in California; Richard Allen, former (having resigned owing to a scandal) national security advisor to Reagan, was a CSIS product. There are, then, dozens of top officials or presidential advisors who leaped from the TUT's to the administration.

Given the growing importance these TPU's have in the Yankee empire's domestic and foreign policy, it is appropriate to take a look at some of the leading ones and at the mass media they have for dissemination of their ideological venom both within and outside the United States.

The Center for Strategic and International Studies (CSIS), already mentioned, was founded in 1962 at Georgetown University, in Washington, with the aim of developing the "grand strategy" for Yankee domination of the world, although for several years it stood somewhat in the shadows. It was during the second half of the last decade, when the think-tank phenomenon bourgeoned in North American politics,

that the CSIS really began to make itself heard. Under Ronald Reagan, it is now in full flower.

Because of its specialization in outlining facets of imperialist expansion and anti-Soviet, warlike strategies that border on madness and fascism, the CSIS became one of the chief factories of ideas and men for the present administration. From the three floors of well-furnished offices that this TPU occupies in the very heart of Washington, very close to the White House, the CSIS exerts enormous influence on Reagan's foreign policy.

It is not sheer coincidence that two of the CSIS' financial supporters are the gigantic multinationals Exxon and Westinghouse.

Nor is it coincidental that Roger Fontaine, one of the principal authors of the Santa Fe document (the model for current Yankee policy in Latin America), was directing the CSIS' Latin America program. Nor that Ray S. Cline, former assistant director of the CIA, was director of "studies of world power" at this TPU during the months preceding Ronald Reagan's election; nor that one of its founders, David M. Abshire, was appointed by Reagan to be director of the national security team during the transition from the Carter administration to that of the former Hollywood cowboy.

As for its publications, the Center has the journal THE WASHINGTON QUARTERLY, known until 1980 as THE WASHINGTON REVIEW OF STRATEGIC AND INTERNATIONAL STUDIES. The journal, which is aggressively reactionary, is published quarterly and is primarily aimed at governmental circles and the North American right-wing intellectual elite.

Forthcoming installments will deal with other tanks for ultrareactionary thinking, their characteristics and plans.

[30 Jun 82 p 2]

[Text] The precursor, and one of the most backward, of the tanks for ultrareactionary thinking (TPU) in the United States is the Hoover Institution at Stanford University in Palo Alto, California, which, with Ronald Reagan in the White House, is now enjoying its greatest glory.

At the outset, it must be noted that it was founded in 1919 by President Herbert Hoover to--as Hoover himself explained at the time--"demonstrate the evils of the doctrines of Karl Marx, whether they be communism, socialism, economic materialism or atheism, and thus to protect the American way of life from such ideologies, from their conspiracies, and to reaffirm the validity of the American way."

With such a letter of introduction, it is not necessary to make much of an effort to understand the furiously anticommunist and anti-Soviet nature of this TUT, created scarcely 2 years after the October Revolution in Russia and the beginning of the era of world socialism.

As President Hoover also stated, one of the primary purposes of that counterrevolutionary center was to make it an archive and required reference source for anti-Soviet propaganda in the United States. This last objective was fully realized, and even today the Hoover Institution is very important when theoretical intrigues and propaganda campaigns against the Soviet Union are being orchestrated.



One of its directors, a man named Peter J. Duignan, with complete impudence--and the obliging tolerance of his superiors and the government--publicly calls the Soviet ambassador to the United States a "pig" and spouts abusive remarks of all sorts against Lenin's fatherland.

The present director of the Institution, W. Glenn Campbell, was one of Reagan's leading advisors during the 8 years in which the latter was governor of California. During that period, the Hoover Institution was perhaps the most important center generating reactionary ideas for the government headed by Reagan. Campbell and the former Hollywood cowboy got on so well that they became close friends. Since then, with Reagan's support, Campbell has moved this TPU to increasingly ultrareactionary positions, to the point that Institution scholars who were not complete troglodytes have been sent packing.

It is enough to say that one of the chief "brains" at this TPU is none other than the traitor to the USSR, Alexander Solzhenitsyn. Moreover, the head of the anti-scientific Chicago school of economics, Milton Friedman, is an honorary member of the Institution. Prominent "wise men" from that center include, too, Reagan's expert on mounting campaigns against "international terrorism," Darrel Trent, and Reagan's advisor for domestic affairs, Martin Anderson.

In all, 150 full-time researchers are working at this Yankee think tank, and dozens, or even hundreds, more are involved as associates. Financially, the Hoover Institution is all systems go: It is much more powerful than Stanford University itself, where it is located. With an annual budget of nearly \$50 million, this TUT contributes to the university one third of its annual \$6-million budget.

Of course, the Hoover Institution has very wealthy sponsors, such as the gigantic multinationals General Electric, Standard Oil of California, and Hewlett-Packard, as well as the Adolph Coors monopoly, with which present Secretary of the Interior James G. Watt is closely linked.

An aspect of this think tank that cannot be overlooked is that after World War II, and especially after 1950, an avalanche of traitors and counterrevolutionaries from the European countries that began to construct socialism landed at that anti-communist center in California. The acquisition of such dregs of society and renegades imparted "new life" to its lucubrations and anti-Soviet fabrications, and, in particular, to the campaigns of lies launched against Europe's budding socialist governments.

[1 Jul 82 p 2]

[Text] Although the Hoover Institution at Stanford University in California--owing to its direct connection with Ronald Reagan, who donated 20 tons of his personal papers for "research" at the center--is extremely influential in the present U.S. administration, the American Enterprise Institute (AEI) is no less so.

Founded in 1945 to promote the ideas of "free enterprise," this tank for ultrareactionary thinking drew little attention for a number of years. It was during the 1970's, when the think tanks burgeoned and began to make themselves a part of Washington's great political structure, that the AEI started to exert a growing influence on Yankee imperialist policy.

As it entered that more favorable phase, its new director, William J. Baroody, caught on to the new "wave" very well, initiating the promotion of academic activities, seminars, etc., and turning AEI into a university-level center for anticommunist thought, one capable of playing a fundamental role in planning and formulation of the Yankee empire's strategic policy for world domination.

All at once, the AEI, previously a political unknown, was having the benefit of a vast propaganda campaign that even included a weekly TV program ("Policy Forum") carried by 400 stations in the United States.

At the same time as the publicity campaign, the AEI went hunting for intellectual associates, especially for those with political ambitions, and it recruited top officials and even former presidents from outgoing U.S. administrations. Thus, Gerald Ford was landed as soon as he left the White House, as was the former chairman of the Federal Reserve Board, Arthur F. Burns, along with dozens of other former high-ranking federal officials.

Located in Washington, the AEI today exerts considerable influence on the U.S. Government and Congress, extremely reactionary influence. Moreover, it has become a pleasant refuge for many extreme rightist former Democratic politicians who left the Democratic Party when George McGovern was nominated as its candidate for president in 1972, people who call themselves "cold-war liberals," and whose common bond is their irresponsible warlike virulence, their anticommunism, and their anti-Soviet, anti-Cuban fixation.

One of the leaders of this cave-man movement is Irving Kristol, who now "teaches" at New York University and edits its journal THE PUBLIC INTEREST, co-founded with diversionist sociologist Daniel Bell--who insists that "all ideology that expresses class interests has reached its end. . . . Professionalism and the technological mode of thought will lead to a society governed by science and not by ideological considerations."

Another journal put out by anticommunists associated with the AEI is COMMENTARY, an ultrareactionary monthly that frequently serves as a podium for Jeane Kirkpatrick, the fascistic Yankee ambassador to the United Nations, although her home TUT is the one at Georgetown University in Washington.

It was, in fact, on the basis of one of her articles in COMMENTARY that Kirkpatrick launched her present career. In 1980, in an article entitled "U.S. Security and Latin America," Kirkpatrick offered recommendations to the future administration for "avoiding proliferation of pro-Cuban and leftist regimes" in Latin America and stressed the need for the United States to support without reservations all the anticommunist tyranny in the world.

The candidate for the White House liked that article so much that he immediately decided that Mrs Kirkpatrick would be his ambassador to the United Nations.

The AEI also publishes books and journals directed toward a more limited academic and political circle, for the ideological and political brew they contain is more sophisticated. They include PUBLIC OPINION, FOREIGN POLICY AND DEFENSE, REGULATION, and THE AEI ECONOMIST.

This last, published monthly since 1977, is primarily devoted to praise of all sorts of "free enterprise," "private initiative," "the free-market economy," and so forth. It attacks state economic regulation, and it blames state intervention in the economy for the ills and the economic crisis from which the United States is suffering. That is, the journal tries to provide theoretical support for the Reagan administration's antiscientific, disastrous economic policy, known as "Reaganomics." Also, the journal REGULATION is devoted to this impossible task of ignoring the growth of state monopoly capitalism, in the very country where monopolies thrive.

[6 Jul 82 p 2]

[Text] An idea factory or tank for ultrareactionary thinking that also exerts decisive influence in Washington is the Heritage Foundation, the most recently organized of the United States' leading TPU's.

Founded in 1973, this institution is so reactionary that in January 1981 the English journal THE ECONOMIST called it "a sort of ministry of propaganda for the Goldwater right."

Owing to close direct ties with Ronald Reagan, the Heritage Foundation has great importance in the present U.S. administration. One of its founders, Frank J. Walton, was in charge of the Business and Transportation Agency of California during Reagan's term as governor there. Another of its directors, Frank Shakespeare, head of the radio and television firm RKO-General, held a highly responsible post on the Reagan transition team until he took office as president.

This foundation, which recently staged a lavish banquet for Mrs Kirkpatrick (Yankee ambassador to the United Nations), is carrying out very intensive ideological/political work which is, moreover, being widely disseminated. Aside from its own publications, the foundation prepared articles that it sent to 1,200 newspapers throughout the country in 1980. In that year alone, the foundation published and distributed 100 books.

The content of its activity in general is so obsessively anticommunist that it borders on fascist positions. The foundation's grand entrance into the Yankee imperialist power structure took place in 1980, when, 12 days after Reagan's election as president, it gave him a 3,000-page study entitled "Mandate for Leadership," preparation of which had cost it \$100,000.

It was a file of issues and answers offered to the new government and to Congress to, as the daily WASHINGTON POST (16 November 1980) then noted, "accelerate the United States' turn to the right as rapidly and sharply as possible."

In fact, the practical purpose of the study was to save the incoming Reagan government "months of delayed bureaucratic procedure" and to propose concrete measures to fascistize the Yankee administration in less than 6 months. One of the authors of the extraordinarily voluminous study, Robert Terrell, who had the mission of designing fascistic proposals for the sphere of the Department of the Interior, boasted, "This will be the first time that a president has assumed office so well prepared to govern."

The fascist flavor of this Heritage Foundation report is evident throughout it. "It is somewhat axiomatic"--it says, for example--"that individual liberties are secondary to the requirements of national security and domestic civil order" (any resemblance to the Nazi concept of "civil order" formulated by Hitler in his "Mein Kampf" is not coincidental).

The document warned, "The Reagan administration must recognize the reality of subversion and it will have to place its emphasis on the anti-American nature of much of the so-called 'dissidence.'" That is, the gentlemen at the Heritage Foundation are using the word "dissident," traditionally applied by the imperialists to traitors to socialism and the social revolution, to describe people of liberal persuasion or those who do not belong to the Yankee ultraright.

Its theoretical arguments notwithstanding, this study given to Reagan was replete with practical recommendations more than with slogans. Thus, it proposed the immediate increasing of the military budget by no less than \$20 billion, imposing a 90-day moratorium on all exports to socialist countries and utilization of North American exports as a weapon against the Soviet Union, and elimination of all restrictions that to an extent had been imposed on the CIA and on other activities of the Yankee espionage and counterrevolutionary agencies.

The report also recommended a 15-percent reduction in the food stamp program (stamps given to the poor to buy certain foodstuffs at lower prices), to transfer to the Department of Justice and deny all the people's legal struggles concerning civil rights, to abolish the Department of Energy and to cripple the Environmental Protection Agency, as well as many additional actions, all of them extremely reactionary.

As is known, more than a few of these constructive proposals by the Heritage Foundation have been adopted and put into practice by the Reagan administration. Such success has notably emboldened this think tank's troglodytes. Hugh Newton, one of its directors, perceived so thoroughly the ultrareactionary, Neanderthal proclivities of Ronald Reagan and his closest associates that during that very month of November 1980, on learning of the former Hollywood cowboy's election, he quickly assured the press, "Before, our studies ended up in the wastebasket; now our material will have to be read and studied."

Indeed, this occurred. The insane warlike, anti-people, anticommunist, counter-revolutionary, and anti-historic policy being carried out today by the present U.S. Government exhibits, in its most fascistic aspects, some stamps and signs of the Heritage Foundation.

[13 Jul 82 p 2]

[Text] A Yankee tank for ultrareactionary thinking that is highly influential with the Reagan administration despite its lesser fame and size is the United States Strategic Institute.

Founded in 1972, this think tank primarily consists of former top Pentagon officials and is basically devoted to spurring on the arms race, proposing and planning aggressive military strategies directed against the Soviet Union and other

socialist countries, and in particular to attacking and torpedoing in a thousand ways the SALT-II Accords, which this institute's gorrillas call a betrayal of "vital U.S. interests."

To better describe this TPU's fascist "wave," it is enough to say that Alexander Haig, the troglodyte general who until a few days ago was in charge of the Department of State, is among its most prominent associates. In fact, in an article entitled "Judging SALT-II," published in the institute's official journal, STRATEGIC REVIEW, Haig attacked the accords not long ago.

With respect to this TPU's journal, something really nice is happening, for according to claims made by its editors since it was founded in 1973, its purpose is to serve as a "forum for polemics" in the political/military sphere, and yet only ultrareactionary, fascistic material is allowed to appear in it.

Generally speaking, in regard to the think tanks, it must be pointed out that, although in this series of articles we have discussed a few--those that are most important and with greatest influence in Washington--the TPU's make up an extensive network that includes at least 70 of these centers that generate ultrareactionary ideas and political leaders for the ultraright.

All of them, no matter how unimportant they may seem, have made themselves a part of the political power structure in the United States, serving as a part of the process of reactionary theorizing that is going on in the superstructure of North American society.

Some of the relatively minor TPU's exert influence that is at times decisive in certain areas or spheres of Yankee imperialist political strategy. The Institute for Contemporary Studies (ICS) in San Francisco (from where Reagan's chief advisor, Edwin Meese, came), for example, has made substantial "contributions" in the political/military sphere to the formulation of the Reagan administration's warlike, anticommunist policy.

As early as 1976 the ICS showed its claws, when it circulated around the United States its work "Defending the United States: Toward a New Role in the Post-Detente World." In it, the ICS "explained" how the United States had fallen far behind the Soviet Union in the military sphere and therefore the most urgent task was the overall strengthening of Yankee military power to confront "the Red threat," and so forth.

Other "tanks" that play prominent roles in certain areas are the Institute for Foreign Policy Analysis, located in Cambridge, Massachusetts (now with considerable access to the Reagan administration); the American Security Council, in Boston; the University of Chicago Study Center; the School for Advanced International Studies at Johns Hopkins University in Baltimore; the University of Southern California; and the Research Center on National Security.

Dedicated--along with the already named United States Strategic Institute--to torpedoing the SALT-II Accords are the Committee on the Present Danger and the Coalition for Peace Through Strength. The two "tanks," with eloquent names, supply numerous "studies" about the "Soviet threat." Also prominent in this last

category of Yankee thinking are the Institute for Research on Foreign Policy, in Philadelphia, and the Information Center on National Strategy, in New York, which specialize in inventing propagandistic tales about the armed forces of the USSR.

As one might imagine, minor differences or political rivalries existing among the TPU's when they are seeking greater influence in the government or attempting to represent their respective studies as most worthy of consideration or implementation by Washington, do not mean that the think tanks are impregnable strongholds that do not communicate with one another. On the contrary, there is a vast, complicated mixing and intercommunication among them, to the extent that it often is very difficult to trace the line between one and another in works produced by several TPU's. Many of their leaders are continually moving from one to another or writing in other "tanks'" publications.

The case of Jeane Kirkpatrick (Yankee ambassador to the United Nations) is highly illustrative. Officially an associate of the TPU at Georgetown University in Washington, she publishes in COMMENTARY, a journal connected with the American Enterprise Institute (AEI)--a journal that in turn is published by the American Jewish Committee--and she was recently feted by the Heritage Foundation, with which she works regularly.

The importance of the tanks for ultrareactionary thinking at the political summit of the North American empire is now so great that they not only determine many of the programs and the political philosophy of the administration in its most comprehensive sense, but there are also countless TPU's directly specializing in very specific aspects of political and social life. These include the mass media; specific economic matters; social legislation; civil rights; the federal bureaucracy; legal activism; policy directed against the blacks, ethnic minorities, the Indians, and civil liberties; education; health; university students' sociopolitical activities; and many other elements studied individually for subjection to a gradual process of shifting to the right or of fascist repression that such TPU's are increasingly promoting in the highest U.S. governmental circles.

However, despite the tanks for ultrareactionary thinking and all the resources at the disposal of the United States' most reactionary circles for the bolstering of their political power and influence, the portion of the U.S. population opposed to the shift to the right being engineered in Washington is growing.

The huge demonstration in mid-June in New York is striking proof of that opposition. Nearly 1 million people--the largest demonstration ever in the United States--went into the streets to protest against the Reagan administration's irresponsible warlike policy and to advocate talks on reduction of nuclear arms, and to avert the danger of an atomic holocaust that could end the very existence of humankind on Earth.

Actions like this show that however much the imperialist "hawks" perfect their systems, and however many TPU's arise, rejection of war and of fascist delirium, and the desire for peace felt by the great majority of the U.S. population will become more and more vigorous.

## LOPEZ BLANCH SCORES U.S. FOREIGN POLICIES

## U.S. Haughtiness

Havana TRABAJADORES in Spanish 14 Jul 82 p 6

[Commentary by Hedelberto Lopez Blanch]

[Text] The foreign policy of the present U.S. administration has clearly defined the features of haughty, decadent imperialism.

Three recent events confirm this: first, its unconditional support for the colonialist English position on the Malvinas, against the rights of Argentina. This has let the Latin American countries know who their real enemy is.

With this decision, Washington supported its most loyal ally within the NATO bloc, and at the same time sharpened its claws in preparation for installing on those islands a military base that will enable it to control a broad area of the South Atlantic.

The second event was its diametrical political, economic and military consent to the actions of the Israeli regime, which carried out a ferocious genocide against the Palestinian-Lebanese peoples. This was corroborated with the Yankee vetoes of several U.N. resolutions that demanded an end to the massacre.

The objective of the American attitude is to forcibly destabilize the progressive Arab governments of the region and to strengthen the military presence of the United States and of its Israeli policeman in the Middle East in order to gain more control over that rich oil region.

The third event was the arbitrary imposition of economic sanctions on the Soviet Union, specifically with respect to the construction of the USSR-Western Europe gas pipeline. This move unleashed a storm of protest among the United States' European allies, who were primarily damaged by the action.

The Western European nations' concern is not unwarranted, because when the gas pipeline is completed, it will transport nearly 40,000 cubic meters of gas each year to France, the FRG, Italy, Austria, and ultimately Belgium, Holland, Switzerland and Spain.

The project is 5,000 kilometers long, and will carry the valuable product from the deposits of Urengoi and Yamburg on the Yamal Peninsula in Siberia, to Western Europe.

If the so-called "Contract of the Century" is not executed, the United States' allies on the old continent will be most seriously affected, first of all because the product will help to resolve the major problem of energy supplies.

Secondly, business activities in those countries will be stimulated by participation in the construction of the pipeline. Manufacturing firms such as AEG-Kanis and Mannesmann of the FRG; Creusot-Loiret of France; Nuovo Pignone of Italy and others in Great Britain, have signed fabulous contracts for delivering pipes and compressor stations to the project.

Thirdly, the construction of the gas pipeline will provide jobs for a large number of people, and will help to alleviate the immense problem of unemployment these nations suffer.

Very symptomatic of this situation is the criticism by British Prime Minister Margaret Thatcher, the principal U.S. ally in Europe, of the Reagan administration's decision. This is the first time Thatcher has opposed a move made by the United States.

The total rejection by the Western European nations, and the firm decision by the people, party and government of the Soviet Union to make the pipeline a reality, are the logical response to an obsolete and decadent American imperialist policy.

#### Salvadoran Aid

Havana TRABAJADORES in Spanish 23 Jul 82 p 6

[Commentary by Hedelberto Lopez Blanch]

[Text] U.S. President Ronald Reagan will have to scrape together all the skills he acquired as an actor to try to convince the U.S. Congress that the current regime in El Salvador respects human rights, and that guerrilla activities have diminished in that country.

In order to obtain authorization for an exorbitant economic and military credit for the Central American nation, Reagan must go to Congress next 28 July to defend one of the most scorned, genocidal and depraved regimes in the world.

A resolution by U.S. congressmen requires the president to report every 6 months on the human rights situation in the nations that receive military assistance as a prior condition for maintaining such aid.



The Socorro Juridico Cristiano [Christian Legal Aid] organization of El Salvador reported a few days ago that in the first 6 months of 1982 3,059 civilians were murdered in that country by the army and paramilitary bands.

Col Adolfo Majano, former member of the Salvadoran Junta, said in Mexico: "There has been no improvement of human rights in my country, and the murders, disappearances, and arbitrary violence practiced by groups connected with predominant elements in the government, continue unabated."

Recently several U.S. human rights organizations accused the Salvadoran regime of "continuing systematic political assassinations with the backing of the United States."

For example, the American Civil Liberties Union and the Vigilance Committee state in a 272-page report that in that Central American nation "an undeclared war against the populace" is being waged.

In addition to the electoral farce carried out in El Salvador, in which the elements of the ultra-right (headed by the chief of the Death Squadron, retired Maj Roberto D'Aubuisson) made a grab for power, there is now another farce sponsored by the Yankee president.

To try to "convince" Congress, a mission of Salvadoran politicians of the governing coalition is scheduled to visit Washington soon to report on the current situation in the country.

Naturally, they will neglect to report on the bombing of defenseless villages by their aircraft; the machinegunning of men, women and children accused of aiding the insurgents; the terror their soldiers wreak in the countryside and the cities; much less the victorious actions of the guerrillas of the Farabundo Marti National Liberation Front.

Perhaps Ronald Reagan, with trickery, pressures and threats, will be able to convince the U.S. Congress to approve a budget of military aid to El Salvador totaling nearly \$100 million, which will be used to continue the bloodbath in that country.

But no matter how much theatrics he employs, he will not be able to convince any progressive government, nor even the most naive American.

8926

CSO: 3010/2139

U.S. FOREIGN POLICY POSITIONS CRITICIZED

Relations With Western Europe

Havana VERDE OLIVO in Spanish 8 Jul 82 pp 14-15

[Commentary by Elpidio Valdivia]

[Text] North American legislators, chiefs of state in Western Europe, and capitalist news services have reached two basic conclusions about the resignation of U.S. Secretary of State Alexander Haig.

They believe, first, the event constitutes a victory for the most extreme hawks in the current Republican administration, and, second, it is an unquestionable expression of the intensification of friction between Washington and its West European allies.

The head of the Democratic majority in the House of Representatives, Thomas O'Neill, has termed Haig's resignation a victory for the "hardliners" in the Reagan administration.

O'Neill, who answered questions from the television network CBS in Philadelphia, said, too, that Haig was the loser in a power struggle with Secretary of Defense Caspar Weinberger. Regarding the latter, the head of the Democratic Party in the lower chamber expressed the view that he has now become the "strong man" in the White House.

Republican Charles Percy, chairman of the Senate Foreign Relations Committee, said that Haig's fall was caused by "political differences and an accumulation of frustrations."

Percy mentioned as the most recent example the controversy about the construction of the pipeline that will carry natural gas from the Soviet Union to several West European countries.

Two days before Haig's resignation, President Ronald Reagan reiterated prohibition of the sale of U.S. equipment intended for construction of the huge pipeline, a decision that Haig did not back.

According to Percy, the British agency REUTERS reported, the Soviets can buy that equipment in other countries and will in no way be affected by the U.S. blockade.

"If it has no effect and only hurts the United States, can it be said that it's an intelligent policy?" the senator asked.

In December of last year, in response to the measures adopted by the Polish Government to reestablish law and order in the country, officials in Washington ascribed to themselves the power--citing the measures as grounds--to punish the Soviet Union and the Poles.

Reagan then prohibited American firms from supplying Moscow with equipment for exploitation of gas and oil.

Now, in extending restrictions on trade with the USSR, he has placed the same limitations on foreign firms manufacturing equipment with U.S. licensing or technology.

This measure affects the interests of some 20 companies, including those in Japan that are participating in a joint energy project with the Soviet Union on Sakhalin Island, to the northwest of that Asian country.

Concerning this, the Spanish news agency EFE remarked on 24 June that this North American behavior "is on the verge of leading to a trade confrontation between the United States and its allies in Western Europe."

In fact, the Reagan administration has warned, rather inconsiderately, that it will take strong steps against European firms that sell to the Soviets equipment manufactured with U.S. licensing or technology for the construction and operation of the pipeline.

If the West European companies rebel against such a measure taken by the government in Washington, then Reagan is prepared to prohibit their purchasing products or information in the United States and even to levy fines against them of as much as \$100,000.

According to Lionel Olmer, a high-ranking official in the U.S. Department of Commerce, extension of the blockade against the Soviet Union could delay construction of the pipeline from Siberia by 2 years.

This White House plan runs the risk of being frustrated if the French firm Alsthom-Atlantique, which produces basic equipment for the pipeline project under U.S. licensing, decides to ignore the restrictions laid down by a government not located in Paris.

Alsthom-Atlantique agreed to manufacture turbines and rotors for the project, under licensing from General Electric. It questions Reagan's extraterritorial authority and asserts that it does not need foreign permission to sell equipment to the USSR.

Last Saturday, French President Francois Mitterrand told the Hungarian newspaper NEPSZABADSAG, "I'm against the embargo, against any sort of blockade" of trade with the Soviets.

The French leader said, too, that "in my opinion, this is a poor method . . . Any kind of economic blockade causes tensions that could lead to military problems."

In Great Britain, where the law protects private activity by firms, the government believes that the implementation of a White House decision "outside the United States is unacceptable according to international law."

Prime Minister Margaret Thatcher told Parliament last Thursday that U.S. policy regarding the pipeline is "erroneous," and the British Ministry of Trade called it potentially very harmful.

Speaking at a German-U.S. seminar taking place in Bonn, Helmut Schmidt, chancellor of the Federal Republic of Germany, said the U.S. blockade of the pipeline was adopted "at the expense of the interests of the allies, whom it did not consult, while the Soviet Union, which depends less on its foreign trade, will scarcely be affected."

Schmidt recalled that sales of U.S. grain to Moscow continued so that the interests of farmers, who need to export their wheat, would not be affected; thus he did not see the point of harming European workers with decisions aimed at the pipeline.

Shortly thereafter, German Economics Minister Otto Graf said on national television, "We will buy the Soviet gas. The North American measures may hinder and delay the deal and make it more costly, but there's no doubt whatever that the countries involved are technically capable of completing this deal."

The French agency AFP said that Alexander Haig's resignation could be specifically attributed to the economic cold war that the Reagan administration has been waging against the European Economic Community for several months.

In this regard, it noted that on 22 June, in Luxembourg, the Community's 10 foreign ministers denounced as "flagrant violations of international agreements" the U.S. decisions imposing compensatory duties on the steel it buys from the Europeans or extending the embargo on deliveries of equipment intended for the Europe-Siberia gas pipeline.

The foreign ministers also thought, according to AFP, that there is no longer a sectoral offensive by the United States but rather a general one that involves not only steel but also textiles, agricultural products, export goods, and the agreements between the European Economic Community and other countries.

The European Council [as published]--the Community's supreme body--echoed the ministers' vigorous condemnation of Washington and confirmed the remedies its members agreed to take before the General Agreement on Tariffs and Trade (GATT).

Later, the 10 chiefs of state making up the Council issued a policy statement in Brussels in which they warned the U.S. Government that its present policy can seriously harm relations with Western Europe.

This dark prospect seemed to draw closer last Friday, when an EFE dispatch from Brussels reported that the leading capitalist countries in Europe could boycott the GATT ministerial conference--scheduled for November--because of the latest dispute with the Reagan administration.

Gaston Thorn, head of the European high-level committee that drafts proposals for that international meeting, said, "If a country believes that it can interpret GATT regulations unilaterally, it will be necessary to make it understand that we have the right to question the usefulness of GATT and to consider launching new negotiations."

AFP reported a few days ago that in political circles in the Federal Republic of Germany people are saying that although West Europeans and North Americans "are in the same boat" in regard to military issues, the point of view on economic relations with the socialist community will constitute a more serious problem from now on.

That moderate diplomatic opinion, translated into the language of the people, would seem to indicate that day-to-day relations between the United States and Western Europe are becoming complicated.

As we noted at the outset, some people think Alexander Haig's fall represents a victory for those who favor a still more hard-nosed U.S. foreign policy, particularly toward the Soviet Union and the other countries in the socialist community.

The success of their wishes--which exist amid the consequences of the Malvinas and Lebanon situations--probably is not unrelated to the issue currently troubling relations between Washington and its chief allies.

Events seem to indicate that Western Europe is tired of being considered a mere caboose on the United States' increasingly controversial foreign policy.

#### Central American Stand

Havana VERDE OLIVO in Spanish 15 Jul 82 pp 16-17

[Commentary by Elpidio Valdivia]

[Text] One of the most negative consequences for U.S. foreign policy arising out of the Malvinas issue is seen in Central America.

While the Reagan administration is racking up points in its favor with the unpunished annihilation of the Palestinian people in Lebanon--a phenomenon to which the capitalist news agencies devote less space than to the world soccer championships, which ended last Sunday--here, in their so-called backyard, things are not going according to plan.

The Mexican newspaper EXCELSIOR said on 10 March that the U.S. Government was negotiating with Latin-American countries to establish a military alliance that would act on the side of the Salvadoran junta and take part in clandestine operations against Nicaragua.

According to Pentagon reports, the negotiations were intended to give White House allies in the region a role in the tumultuous situation in Central America.

"The U.S. strategy"--EXCELSIOR said--"began to develop 5 months ago, when in an inter-agency meeting of experts from the Pentagon, the Department of State, and the Central Intelligence Agency it was reported that there was no chance of a victory

in El Salvador unless massive aid was given to the government, the number of U.S. military advisers were considerably increased, and they took part in the fighting."

At that very moment, with a view to giving a cloak of legality to this project, the 28 March elections in El Salvador were conceived.

The thinking of the U.S. strategists was very obvious. The winner in the elections was to be the Christian Democratic Party, which made up the ruling junta with the military.

Once they had been invested with a certain institutional appearance, the new Salvadoran officials would request the OAS' help in having an inter-American force--like the one that intervened in the Dominican Republic in 1965--deal with the "external aggression" the country was experiencing.

As people will recall, that argument is the same one that the newly installed Reagan administration used in early 1981 on making the Salvadoran case into the supreme test of its so-called policy of "containment of communism" in this part of the world. As major West European news media commented at the time, there was even a moment during that period when the hurriedly assembled White House team sought to transform the socioeconomic crisis in the tiny Central American country into nothing more or less than the pivotal problem in so-called East-West relations.

Everything was ready at that point, including the setting erected by the U.S. Government for the elections, the results of which dashed to pieces Washington's carefully formulated plan.

Who became the new strong man in El Salvador in the place of Christian Democrat Jose Napoleon Duarte?

It was a person who had been expelled from the armed forces because of his affinity for coups--opposed to the unenthusiastic reforms designed to turn back the tide of popular feeling--a renowned leader of the famous paramilitary groups and responsible for the murder of the prominent Archbishop Oscar Arnulfo Romero.

His name: Roberto D'Aubuisson, who was described by Robert White, former U.S. ambassador to that country, as a "psychopathic killer."

Then . . . the Malvinas, with the heavy burden of setbacks and headaches still inflicted on the White House's Latin-American policy by its open alliance with the British colonialists against Argentina.

One of the consequences is seen in Central America, where the North Americans are forced to reformulate their line, particularly with respect to El Salvador, the thorn that by the grace of Ronald Reagan's Washington puts at risk the credibility of very sensitive aspects of the empire's foreign policy.

This readjustment seems to be taking the shape now of the organization of a sort of "holy alliance" among the armies of El Salvador, Honduras, and Guatemala to combat the vast rebellion taking place against socioeconomic structures dating from the old colonial era of the 19th century.

On 5 July, the WASHINGTON POST said that the conviction is growing among U.S. military advisers that, despite their presence in the Salvadoran Army, they are in no condition to carry out adequate operations against the rebels.

Regarding this, the POST said further, now proposed for the agenda is the issue of sending "additional groups" of advisers to different areas in that country.

That same day, in Mexico City, leaders of the Farabundo Marti Front for National Liberation (FMLN) charged that over 2,000 Honduran soldiers entered Salvadoran territory to join forces with that country's Army.

However, the Honduran minister of foreign relations, Edgardo Paz Barnica, stated that his government was remaining neutral concerning problems existing outside its borders.

Paz Barnica said, "Our soldiers are not taking part in the Salvadoran conflict. My government respects the principle of nonintervention and is thus neutral with respect to the internal affairs of neighboring countries."

Only hours later, the news agency AP reported from San Salvador that Salvadoran and U.S. officials had disclosed that Honduran troops had crossed the border to help the Alvaro Magana regime in its struggle against the guerrillas.

"A high-ranking U.S. diplomat"--the dispatch said--"affirmed that between 1,000 and 1,500 Honduran soldiers have entered Salvadoran territory. This is absolutely true."

Moreover, the same source quoted "a high-ranking Salvadoran official, who is close to the anti-guerrilla campaign," to the effect that, during the first week of operations, the Hondurans had already incurred 30 dead and 70 wounded.

This happened in the Morazan region, where shortly before that an "offensive" by thousands of Salvadoran soldiers, including those recently trained by the United States, had blatantly failed.

Some observers have noted that on 30 June the U.S. Senate approved \$21 million in military aid for the Honduran Government; it is intended to modernize two airports that will be used by the U.S. armed forces "in the event of a conflict in the Caribbean region."

Moreover, in June U.S. officials delivered six A-37 fighter-bombers to their new Salvadoran allies, at the same time that Reagan was requesting another \$226 million to prop up the D'Aubuisson team.

As a part of this U.S. maneuver in the region, last week there was a meeting of the so-called Central American Democratic Community in San Salvador, in which a representative of the Guatemalan regime took part for the first time.

Describing this organization that was created at Washington's urging, Panamanian President Aristides Royo said, "the Community is a spear aimed at Nicaragua's heart," a country that had been excluded from the outset.

Before that meeting in El Salvador, the head of that country's regime, Alvaro Magana, visited Guatemala, Honduras, and Costa Rica to seal the military alliance whose umbilical cord arises in the north.

Soon--on the 28th--Reagan will have to again certify before his country's Congress that human rights are scrupulously respected in El Salvador, a necessary step for the opening of the gates of economic and military aid to that country.

The WASHINGTON POST disclosed that in May the State Department sent a confidential cable to its embassy in San Salvador, asking that it pressure that country's government to end the killing of prisoners, for the International Red Cross was threatening to leave the country because of that regular practice.

On the basis of documents consulted under the Freedom of Information Act, the American Civil Liberties Union (ACLU) asserts that the certification Reagan submitted for that purpose in January "was based only on reports from the Salvadoran Government and press, but there was no investigation whatever by the intelligence agencies to support that information."

Last month the Senate Foreign Relations Committee voted to cut \$100 million from the \$226 million the Executive was requesting for the Magana-D'Aubuisson duo. At the same time, it decided to prohibit any aid if those people continued to thwart reform in that country.

Thus, as events seem to demonstrate, the well-known U.S. plan for Central America is in serious trouble, and, as the Salvadoran resistance has pointed out, the danger of a Yankee military escalation in the region grows daily.

In connection with that, some may recall that one of the continent's most respected leaders, Jose Lopez Portillo, warned Washington a few months ago that such a move would be an extremely serious historical error.

It remains to be seen whether the officials in the White House will choose to heed that call for good sense, or whether they will be guided by the Zionist logic of presenting faits accomplis, even if it means carrying out the most vile sort of genocide. That seems to be the choice available to the empire despite evidence at hand that Central America is not Lebanon.

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## JOINT COMMUNIQUE ISSUED WITH CONGOLESE DELEGATION

Havana GRANMA WEEKLY REVIEW in English 25 Jul 82 p 8

[Text]

 IN RESPONSE to an invitation from Comrade Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and of Ministers of the Republic of Cuba, Comrade Denis Sassou-Nguesso, president of the Central Committee of the Congolese Labor Party and president of the Republic of the Congo, head of state and president of the Council of Ministers of the People's Republic of the Congo, paid an official and friendly visit to the Republic of Cuba, July 9-13, 1982, heading a Congolese Party and government delegation.

During its stay in our country the delegation visited Havana, the Isle of Youth and the province of Matanzas. On the Isle of Youth he met with Congolese students.

Everywhere they went the members of the delegation were warmly welcomed by the Cuban people.

The distinguished visitor laid a wreath at the monument to National Hero José Martí, who symbolizes the struggle of the Cuban people for national independence.

The Cuban people gave the Congolese delegation a warm and friendly welcome, in keeping with the close ties prevailing between the peoples of Cuba and the Congo.

The Council of State of the Republic of Cuba presented President Denis Sassou-Nguesso with the José Martí Order in recognition of his struggle for the liberation of the Congolese people, his firm and resolute anti-imperialist stand and his valuable contribution to the development of his country.

The delegations of Cuba and the People's Republic of the Congo held official talks that took place in a friendly and fraternal atmosphere and were marked by a complete concurrence of views on the issues discussed.

Cuba was represented at the talks by Commander in Chief Fidel Castro Ruz, first secretary of the Central Committee of the Party and president of the Councils of State and of Ministers of the Republic of Cuba; Major of the Revolution Juan Almeida Bosque, member of the Political Bureau and vice-president of the Council of State; Carlos Rafael Rodríguez, member of the Political Bureau and vice-president of the Councils of State and of Ministers; Jorge Risquet, member of the Political Bureau and the Secretariat of the Central Committee of the Party; Division General Senén Casas Regueiro, alternate member of the Political Bureau and first substitute of the minister of the Revolutionary Armed Forces; and Jesús Montané Oropesa, alternate member of the Political Bureau and member of the Secretariat of the Central Committee of the Communist Party of Cuba and head of its General Department of Foreign Relations.

Also present were José R. Fernández, vice-president of the Council of Ministers and minister of education; Héctor Rodríguez Llompert, minister-president of the State Committee for Economic Cooperation; and Omar Iser Mojena, vice-president of the National Control and Review Committee of the Party. All three are members of the Central Committee of the Party.

Others present included Levi Farah, government minister; José R. Viera, first deputy foreign minister; Ernesto Escobar, deputy chief of the General Department of Foreign Relations of the Central Committee; Oscar Oramas, deputy foreign minister; and Darío Urra, Cuban ambassador in the People's Republic of the Congo.

Representing the Congo were Colonel Denis Sassou-Nguesso, president of the Central Committee of the Congolese Labor Party and president of the People's Republic of the Congo, head of state and president of the Council of Ministers of the People's Republic of the Congo; Itih Ossetoumba Lekoundzou, member of the Political Bureau and minister of finances; Pierre Nze, member of the Political Bureau and foreign minister; Camille Bongou, general secretary of the Presidency of the Central Committee, political adviser to the Presidency of the Republic and member of the Central Committee; Jean Itadi, minister of industry and fishing; Henri Djombo, minister of hydraulics and forestry; Ange Edouard Pongui, financial adviser to the Presidency of the Republic and member of the Central Committee; Ikouebe Bassile, diplomatic adviser to the Presidency of the Republic; Tsika Kabala Victor, military adviser to the Presidency of the Republic; Momengho Medard, ambassador of the People's Republic of the Congo in Cuba; Mbaka Georges, of the Ministry of Agriculture and Livestock; Dzambeya Barthelemy, director of the America, Asia and Oceania Department of the Ministry of Foreign Affairs; and Epouma Christian, adviser to the Ministry of Industry and Fishing.

During the talks the delegations undertook a detailed analysis of the current state of relations between the two countries, confirming that they are excellent and advancing in a positive manner. They affirmed their determination to continue strengthening the close and indestructible friendship and cooperation between the peoples of Cuba and the Congo and between the Parties and governments of both countries.

Both sides reaffirmed that the principles of scientific socialism and proletarian internationalism are the foundations of the revolutionary processes of both countries. They also stressed the importance of relations between the two peoples, Parties and governments for the achievement of the common ideals of peace, freedom and socialism.

In the framework of bilateral relations, the importance of cooperation between the Communist Party of Cuba and the Congolese Labor Party in the process of strengthening ties of friendship between the two peoples and governments was stressed.

The Cuban and Congolese delegations stressed their plans to continue working to strengthen existing ties between mass organizations, social organizations, and other institutions of the two countries by broadening contacts and exchanging experiences, thus facilitating greater knowledge about socio-economic and political events and the progress in the building of new societies in both countries.

They also reviewed the development of the fruitful ties of cooperation between the two countries and reaffirmed their willingness to continue working to strengthen ties of economic cooperation, in line with the interests of both peoples and the broad possibilities for further development.

The Congolese delegation highly valued the historical significance of the Cuban Revolution for the international revolutionary movement and saluted its firm anti-imperialist stand as well as the militant solidarity which it gives to the peoples' struggle for emancipation; against imperialism, colonialism, Zionism and apartheid and all forms of racial discrimination; and for their liberation, national independence and social progress.

The Congolese delegation also noted the profound socio-economic transformations that have taken place in Cuba since the victory of the Revolution and expressed its conviction that the Cuban people will obtain new and greater successes in building socialism under the leadership of its Communist Party and its first secretary, Comrade Fidel Castro. They affirmed that these successes will be achieved despite the attacks and current increase in military threats and pressures on the part of U.S. imperialism, in particular the ruthless economic blockade maintained against the Cuban people in a vain attempt to destroy the Cuban Revolution and the example which it represents for peoples oppressed by imperialist domination.

The Congolese delegation strongly condemned these maneuvers and aggressive acts carried out by U.S. imperialism and reiterated its support for the just demands of the Cuban people and government for the unconditional return of the territory usurped by the United States and now occupied by the Guantánamo naval base. It also demanded an end to the criminal U.S. blockade against Cuba, which has already lasted more than two decades, and the pressure exerted by the government of the United States on other countries to obstruct the development of their financial and trade relations with Cuba.

The Congolese delegation noted the firm determination of the Cuban people to defend their revolutionary gains, regardless of cost, and expressed its conviction that the threats and attacks will fail because of the unshakable determination of the Cuban people to defend their right to build a new socialist society.

The Congolese side expressed great satisfaction with and stressed the important role played by Cuba as chairman of the Movement of Non-Aligned Countries and its efforts to preserve and strengthen unity among member states.

The Cuban delegation paid tribute to and expressed its profound admiration and respect for the memory of the beloved and unforgettable Comrade President Marien Ngouabi, a great friend of Cuba and a staunch defender of the peoples' liberation struggle who devoted all his energies and his very life to building a better future for the sister Congolese people.

The Cuban delegation expressed satisfaction over the successes achieved by the Congolese people in the political, social and cultural realms, under the leadership of the Congolese Labor Party and its current president, Comrade Denis Sassou-Nguesso. Comrade Sassou-Nguesso is now hard at work on the drive to secure the implementation of the 1982-86 five-year plan, which pursues the strategy worked out during the 3rd Special Congress of the Congolese Labor Party aimed at freeing the Congo from dependency and foreign economic domination.

The Cuban side reiterated its strong support for the people, Party and government of the People's Republic of the Congo in the struggle for the consolidation of its conquests and the defense of its sovereignty and independence.

Upon reviewing the international situation, the delegations of Cuba and the Congo blamed imperialism for the worsening of international tension and warned of the grave threat to peace and security in the world posed by the warlike and adventuristic nature of the policy pursued by the U.S. government. The United States opposes the liberation struggle of the peoples and the growing influence of socialism with an arrogant policy of force, blackmail and threats, including the sharp acceleration of the arms race, its overt interference in the internal affairs of the peoples, the strengthening of its ties and alliances with the most repressive and reactionary regimes, and efforts to breed disunity among progressive and revolutionary movements and states.

Cuba and the Congo feel that the tremendous difficulties and consequences resulting from the crisis of the capitalist system impede economic and social justice on our planet. This is a crucial problem for humanity which can only be solved by the establishment of a new international economic order which is both just and equitable and which will encourage the integral and harmonious development of the peoples. Both sides reaffirmed that this is the only way to assure a stable and lasting peace.

The two delegations agree that the just struggle of the oppressed peoples and countries for total emancipation is one of the main tendencies of our era and as such is bitterly opposed by all reactionary forces, headed by U.S. imperialism. In this framework they stressed the importance of strengthening ties and unity of action among the socialist and progressive countries and the revolutionary, democratic and progressive forces all over the world, in support of national liberation movements.

Both delegations stressed that the successes scored in the construction of socialism by the countries of the socialist community, especially the USSR, and their firm policy of peace along with the victories achieved by the national liberation and world revolutionary and workers' movement, constitute a positive factor in the establishment of a climate of peace capable of preventing an imperialist military adventure of unpredictable consequences.

Both sides saluted the strong mass movement which has been developing in Europe and is beginning to take shape in the United States against the arms race and in defense of peace.

The delegations reiterated their resolute condemnation of the systematic acts of aggression by the South African racist regime against the sovereignty and territorial integrity of the People's Republic of Angola. They demanded the immediate withdrawal of South African troops occupying part of Angolan territory.

The two sides reiterated their opposition to all maneuvers aimed at making the withdrawal of Cuban troops from Angola a precondition for the achievement of Namibia's independence. In addition they stressed their keen appreciation for the internationalist support which the Cuban people and government are giving the sister People's Republic of Angola.

Both sides denounced the growing economic and military cooperation of the imperialists with the South African racists which makes it possible for the shameful apartheid regime to maintain its policy of oppression and aggression in South Africa and Namibia.

They likewise denounced the growing support which the United States gives the South African racists, facilitating their attacks against the countries of southern Africa, and their material and political backing to counterrevolutionary organizations in Angola and Mozambique.

They pointed out that the growing hostility of the South African regime to the independent states of southern Africa is part and parcel of imperialist aggression on a world scale.

Both sides feel that the international community has an unavoidable duty to denounce such collaboration, which is aimed at oppressing the peoples of South Africa and Namibia and preventing the development of independent African countries in the area while increasing their dependence on South Africa.

They also reaffirmed their firm and total support for SWAPO and the ANC as the only legitimate representatives of the peoples of Namibia and South Africa.

Both delegations condemned the maneuvers of the South African racists who, in collusion with the imperialist countries, are trying to prevent implementation of UN resolutions, especially Security Council Resolution 435, in order to impose a neocolonial solution to the problem of Namibia.

Both sides called for increased support for the armed struggle carried out by the heroic sister people of Namibia, led by SWAPO, as the principal method to achieve their national objectives. They felt that a just solution to the Namibia issue must be based on the strict fulfillment of UN resolutions and the consequent total withdrawal of South African forces to south of the Orange River. They affirmed that only through these means will a truly independent government in Namibia be guaranteed.

The delegations reaffirmed their backing for SWAPO's proposal to hold a UN-sponsored conference to overcome the present stagnation, entailing a global discussion of the issues related to the independence of Namibia.

Both sides expressed their appreciation of the Front Line states for their valuable contribution to and constant support for the liberation movements and peoples of southern Africa. They condemned the undeclared war which imperialism is carrying out against those countries by way of the Pretoria regime.

They denounced the military collaboration of the NATO countries with the South African racists, especially in the nuclear field, and pointed out the threat to world peace and security posed by the provision of nuclear weapons to the South African regime, despite the UN decision to make Africa a demilitarized zone.

The delegations of Cuba and the Congo reaffirmed their support for the Democratic Saharawi Arab Republic, led by the POLISARIO Front, and saluted its admission into the OAU, the product of the great victories obtained by this heroic people in the struggle for self-determination and independence.

They also demanded the total and unconditional withdrawal of Moroccan occupation forces from the last bastions which they are illegally occupying. This is the only way to achieve a just and lasting peace.

Both delegations indicated that the current situation is favorable for the opening of direct negotiations between the governments of Morocco and the DSAR with the goal of reaching a peace agreement. They agreed that military intervention by the United States is leading to an internationalization of the conflict and a worsening of tension in northwestern Africa, in addition to posing a threat to the security of Africa and the entire world.

In reviewing the situation in Latin America and the Caribbean, the delegations of Cuba and the Congo agreed that important revolutionary changes are developing in the area as a result of the struggle of the peoples against domination and exploitation by U.S. imperialism and its servants in the region.

The two delegations agreed that the government of the United States is the chief cause of tension in Central America and the Caribbean. Its threats of military intervention, maneuvers and destabilizing pressures against the progressive countries and the area's revolutionary movements pose a grave threat to the peace and stability of the region.

The delegations also reiterated their solidarity with the victorious people's revolutions in Nicaragua and Grenada and demanded full international support and solidarity to avert the dangers facing those heroic peoples.

The two sides expressed support for the Franco-Mexican Declaration aimed at finding a negotiated political solution to the bloody drama in El Salvador, and which advocates the participation of the revolutionary forces in that country.

The delegations of Cuba and the Congo saluted the Mexican initiatives to solve the grave tensions in Central America and the Caribbean and assure the peoples of the area a climate of peace and détente based on full respect for sovereignty and self-determination and their right to undertake the economic and social changes which they deem necessary.

Both delegations strongly support the heroic and courageous struggle of the Salvadoran people, led by the FMLN-FDR, against the oligarchy and the bloody pro-imperialist regime which has committed more than 30 000 crimes in order to crush the revolutionary movement, without any success in breaking down the determination of that sister people.

Both delegations condemned the British military actions and the overt and covert pressure of its allies to reimpose a colonial regime on the Malvinas Islands. This was done in flagrant violation of international law, which protects the Argentine people in their claim of sovereignty over that territory.

The delegations of Cuba and the Congo expressed their solidarity and support for the struggle of the Panamanian people to obtain strict fulfillment of the Canal Treaties; their solidarity with the people of Puerto Rico, who have been subjected to U.S. colonial domination; and their solidarity with the brave Guatemalan people, who have been opposing cruel regimes imposed by the United States since 1954.

They also expressed solidarity with the patriots in Honduras, Chile, Bolivia, Haiti, Uruguay, Paraguay and other countries who are struggling against fascism and reactionary dictatorships.

The delegations of Cuba and the Congo reiterated their support for the heroic people of socialist Ethiopia and condemned the maneuvers and threats of the imperialists and international reaction, which continue to obstruct the re-establishment of peace in the Horn of Africa, thus undermining the interests of the African peoples and contradicting the principles governing relations between OAU member states.

The two delegations reviewed the complex situation in the Middle East and said it constitutes a grave threat to security, peace and stability in the region and the world.

Both sides reaffirmed their conviction that only the total and unconditional withdrawal of Israeli forces from occupied Arab territory and full recognition of the legitimate and inalienable rights of the Palestinian Arab people — including the right to an independent state of their own under the leadership of the PLO, their only genuine representative — will make possible a just, stable and lasting peace in that turmoil-plagued part of the world. In this context they denounced any and all agreements on the issue worked out without the consent of the PLO, and condemned Israel's illegal annexation of the Syrian Golan Heights region, in flagrant violation of the most elementary standards of international law.

Cuba and the Congo strongly condemn and repudiate the criminal Israeli attack on Lebanon and the Palestinian Resistance and the illegal occupation of a large portion of that country. They also condemn the brutal acts of genocide perpetrated by the Zionist hordes, who have taken thousands of victims and inflicted terror, destruction and terrible suffering on the Lebanese and Palestinian peoples.

They feel that solidarity with and support for the heroic Palestinian people, who are struggling for their inalienable right to a homeland of their own, is more necessary than ever. They call on the international community to do all it can to defend Lebanon and the Palestinian people and to defeat the criminal plans of the Zionist aggressors and their accomplices.

Both delegations said the aggressive policy of Israel is carried out with the military and political backing of imperialism and is part of U.S. imperialism's plans to crush the revolutionary movement in the area, impose its domination and continue oppressing the Arab peoples while exploiting their huge natural resources.

The two delegations strongly reject the establishment of U.S. military bases and especially the militarization and stockpiling of nuclear weapons on the island of Diego Garcia. These actions pose a threat to the independence and sovereignty of all countries of the area and to international peace and security as well, given the concentration of dangerous military forces in the region. For these reasons both countries demand the dismantling and total destruction of all foreign bases in that region and support the legitimate aspiration of those countries to transform the Indian Ocean into a zone of peace.

Cuba and the Congo express profound concern over the continued fighting between Iran and Iraq which weakens the common front of struggle against imperialism and Zionism and contributes to the worsening of the international situation.

The Congolese delegation expressed appreciation for the work done by the chairman of the Movement of Non-Aligned Countries to find a peaceful, just and honorable solution to the dispute.

Both sides restated their solidarity with the just struggles of the peoples of Vietnam, Laos and Kampuchea against imperialist foreign intervention and the efforts made by those countries to recover from the profound wounds inflicted on them by the constant attacks of imperialism and international reaction. They also reiterated their support for the struggle of the Korean people to peacefully reunify their country without foreign intervention.

The delegations stressed the historic significance of the Movement of Non-Aligned Countries and the influential role it plays in the international community. They reiterated their determination to continue working for implementation of the Final Declaration and the resolutions adopted at the 6th Summit Conference of Heads of State. They stressed that the intense activity carried out by the Movement during the last few years is irrefutable evidence of the relentless advance of the peoples in their struggle against imperialism, colonialism, neocolonialism, racism, Zionism and apartheid, and to eliminate the prevailing economic and social inequality in the world while achieving a more just international economic order.

The Cuban and Congolese delegations were pleased with the results of the visit and the fraternal and militant climate prevailing in the talks. They feel the visit has contributed to the strengthening of fraternal relations linking the peoples, Parties and governments of Cuba and the People's Republic of the Congo, and to the broad and fruitful cooperation between the two countries.

On behalf of the Congolese delegation, Comrade Denis Sassou-Nguesso expressed sincere appreciation to the Central Committee of the Communist Party of Cuba, the government and people of Cuba for the warm and fraternal welcome extended during their stay in Cuba.

The president of the Congolese Labor Party and president of the People's Republic of the Congo, Colonel Denis Sassou-Nguesso, extended an invitation to Comrade Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and of Ministers, to pay an official and friendly visit to the People's Republic of the Congo. The invitation was accepted with gratitude and the date of the visit will be set in the future.

## DISCUSSION CONTINUES ON NEW GENERAL WAGE REFORM

Havana TRABAJADORES in Spanish 13, 16 Jul 82

[Article by Irene Reyes]

[13 Jul 82, p 2]

[Text] The working class and other manual and intellectual workers in the urban and rural sectors form the social foundation of socialist society, that society being one where there is no exploitation of man by man, and labor and its just remuneration are an important social-economic task of the state.

The achievements of the Cuban Revolution in the economic sphere are the result of the dedicated work of the entire nation in the creation of new values, of which a good part is aimed at the expansion of production as an indispensable condition for the country's development, and therefore for the building of our new life.

At the end of 1978 serious problems were discerned in the organization of labor and in wages, problems that were manifested in the poor development of the process of linking wages with norms, a lack of disciplinary control over labor, and inefficiency in legislative matters.

This situation began to change in 1980, when emphasis was placed on the improvement of the basic organization of labor for the purpose of creating the conditions to make better use of productive resources, particularly labor resources.

One of the mechanisms established is General Wage Reform, which promotes distribution in accordance with work, an inherent principle of socialism that benefits all workers.

When the General Wage Reform is fully implemented, wages will climb by 670 million pesos per year. But the idea of this wage reorganization is not for people to earn more money; that interest should be subordinated to the improvement of economic activities in general. Therefore, the individual contribution of each worker should be aimed at conscientiously and constantly increasing productivity, and hence obtaining higher wages, either through rates, bonuses, other material incentives, or the possibility of payment by yield.

Resolution 457 of the State Committee for Labor and Social Security, passed in 1980 to regulate the General Wage Reform, is still fully effective even though the reform has already been applied in all productive areas of the country, because any deterioration suffered by the indicators imposed by that program could mean a loss in the benefits it provides.

The indicators we referred to above are the application of the System of Payment by Yield or Piecework in all activities amenable to it; the standardization of future activities and updating of present activities; and the simplification of the structures and rosters of the workers not directly involved in production and services. If these requirements are maintained and fulfilled, there will be eligibility for the wage measures entailed in the Reform.

These wage measures, as workers already know, include new scales and rates for workers and administrative and service employees; classifiers for pending occupations; payment for abnormal labor conditions; bonus systems; wages for technical and executive personnel, and others expressly indicated.

[16 Jul 82, p 2]

[Text] The General Wage Reform program is based on the essential premise of the organization of labor, because the latter allows the effective conditioning of the productive workforce and the means of production, the full utilization of the workday, correct use of work methods, and adequate wage retribution.

Therefore, the indicators required by the Reform correspond to those elements. For example, one of the principal ones is the use of the payment by yield system, which simply means remunerating the worker in direct proportion to the quantity and quality of his work.

Another indicator is the standardization of all work operations that are amenable to standardization, considering the maximum increase of the basic work period by regulation, and the adjustment of this or any other equivalent system of measurement to Resolution 1287 of the State Committee for Labor and Social Security (CETSS), which unifies in a single legal entity all the regulations governing work norms and standards.

Another important factor for the implementation of the General Wage Reform is the inspection of the rosters of workers indirectly involved in production and services, to determine whether there are any violations of labor legislation.

For the purpose of controlling and developing the application of the General Wage Reform program, provincial advisory commissions were created by the CETSS, with the support of the Party and the Peoples Government Organizations. These commissions are made up of members of the administrative offices of the government and of the workers movement, in their respective territories.

The principal functions of these commissions are to authorize enterprises to implement the wage measures of the reform program, once it has been determined that they meet the necessary organizational requirements to be able to finance part of the cost of the wage benefits; and to evaluate systematically the performance of the required indicators and the result of the measures applied, through periodic checks.

#### Effectiveness of Reform

The economic and social guidelines approved by the Second Congress of our Party reiterate the need for the General Wage Reform program to maintain the application of systems of payment by yield or piecework, complemented by bonus systems to stimulate efficiency in the work of the productive sectors.

A few months ago, Joaquin Benavides, minister-chairman of the CETSS, upon summing up the organization's accomplishments during 1981, stated that during the present period the final details of the wage reorganization should be drawn up, the classifiers of technical positions (which have been in effect for a year) should be reviewed, and the study of the inconsistencies that remain in the implementation of the reform should be completed.

Work is now being done on all these tasks, particularly with regard to the development of the General Wage Reform program so that the indicators already approved do not deteriorate, and the checking of the classifiers of technical positions implemented experimentally for a year, which must for the most part be revised this year and in 1983.

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CSO: 3010/2138

## IMPROVEMENTS NOTED AMONG SNTAF WORKERS

## Production Up

Havana TRABAJADORES in Spanish 12 Jun 82 p 3

[Article by Gabino Manguela]

[Text] The agriculture, livestock and forestry workers from all over the country surpassed their production plan for the first quarter of the year by 11 percent, and the average wage by 6, and this shows a good correlation between both economic indicators.

The jump in productivity by the SNTAF (Agriculture, Livestock and Forestry Workers National Trade Union) affiliates was attributed basically to the application of the General Wage Reform and the requirement for fulfillment of the commitments made, as well as to the extension of payment per field completed and to the linking of man to area.

Also of great importance in this achievement was the work developed to eliminate the deficiencies which create problems in the different linkage systems applied, and the scope of the payment of bonuses.

It was also learned that all provinces performed favorably, with the exception of Ciego de Avila, where they surpassed both indicators by 14 percent.

Notwithstanding the overall results reported, the fulfillment of the average wage was higher than productivity in 112 enterprises in the country, Pinar del Rio and Havana with 13 each, and Sancti Spiritus with 12 being the provinces with the most enterprises in this unfavorable position.

In the check and control visits made by the union and the inspections by MINAG (Ministry of Agriculture), multiple deficiencies have been revealed which should be worked on in greater depth, among them being the lack of familiarity that the union leaders and the workers have with the rulings on OTS and the lack of alacrity in solving the problems that arise from poor application of the legislation on organizational deficiencies.



In addition, poor quality is evident in drawing up the annual plan for development of labor organization, as well as little participation and lack of checking on this activity by the union organizations. At the same time there was little depth in the periodic analyses of the results of the linking (of workers) and the application of the bonus systems.

#### Accident Rate Down

Havana TRABAJADORES in Spanish 14 Jun 82 p 3

[Article by Gabino Manguelo]

[Text] During the first 3 months of this year the agriculture, livestock and forestry workers reduced work accidents by 474 compared to the same period last year, according to what was learned from the national union of these workers.

During the period the index of frequency and seriousness was lower than for the first quarter of 1981, and even though the investments of funds for safety and hygiene represent only 13 percent of the year's projection, the amount is higher than that invested during the first months of last year.

Eighty-four percent of the workers have received the safety rules and inspections have been made in seven provinces, from which Granma and Camaguey received a good rating, Sancti Spiritus, Cienfuegos, Havana and Matanzas average, and Las Tunas poor.

SNTAF has trained 1,022 social service inspectors who have contributed to the improvement of job safety and hygiene. In these measures Granma and Camaguey are outstanding, while Holguin, Santiago, Matanzas and the city of Havana were deficient.

The projected work of the union should be based upon its checking on and requiring fulfillment of the plan of safety and hygiene measures, their active participation in the providing more depth to the analyses of the accidents, and discussing their causes with the workers and requiring that steps be taken so that they are not repeated.

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CSO: 3010/1947

## BCR'S PRESIDENT REVEALS IMF APPROVED \$85 MILLION LOAN

San Salvador LA PRENSA GRAFICA in Spanish 17 Jul 82 pp 4, 40

[Text] "We have successfully concluded negotiations for a short term loan of \$85 million to pay for imports that we cannot handle with the foreign exchange generated by exports," stated the president of the Central Reserve Bank of El Salvador (BCR), Alberto Benítez Bonilla.

"These negotiations were carried out with the International Monetary Fund (IMF), an international organization that initially proposed the mentioned credit be applied after the elections, and we are just now awaiting its fulfillment," he confirmed in an interview given to the magazine ENFOQUE of Venezuela.

Stated Benitez, "We would not eliminate the runaway panic even by raising interest rates to 1,000 percent. Those looking for higher interest rates abroad can already find them here," and he added, "the credit user can also find it here."

The policy of reductions and austerity of public spending and in investment projects avoiding deficits and inflation are now having an effect, he said.

"With regard to the banking policy, credits for luxury imports have been prohibited, establishing a parallel market of exchange. One a financial market, the other extra-financial," said the BCR president. "In this way we are becoming accustomed to the new value of the colon, four to the dollar," he added.

News Release from the Central Reserve Bank of El Salvador

"It is reported that the International Monetary Fund (IMF) on 16 July approved two loans to El Salvador for approximately \$85 million, some 50 million of which they will receive over the next 3 months. Of the credit mentioned, \$49 million correspond to a contingent loan agreement and \$36 million to compensatory funding by the reduction of export income.

"The purpose of the financial aid to El Salvador from the IMF is to support the execution of a stabilization program which will permit the reactivation of domestic production and strengthen the balance of payments, both important

"goals to achieve in order to relieve the critical financial and economic situation prevalent in the country.

"The position adopted by the Executive Board of the IMF, of supporting financial aid to El Salvador, is of great importance in obtaining additional resources from other institutions in the international financial community. The foregoing indicates that the IMF accepts the seriousness and substance of the financial and monetary policy measures that the Government of El Salvador has devised to stabilize the national economy, as a necessary step for reactivating the country's productive activity.

"This constitutes a commitment by the Government of El Salvador, and particularly the monetary authorities, to fulfill the credit, exchange, fiscal and interest rate policies in the stabilization program that the Government of El Salvador presented before the above mentioned international organization.

"Recognition must be given to the IMF's mission and for the effort and meticulousness with which the program presented by the Central Reserve Bank was evaluated, in order to carry out a realistic analysis of all the factors having bearing on the country's economic situation, in order to assure the feasibility of reestablishing the economic and financial equilibrium in El Salvador."

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CSO: 3010/2038

MORALES EHRLICH DISCUSSES AGRARIAN REFORM LAW

San Salvador LA PRENSA GRAFICA in Spanish 19 Jul 82 p 46

[Text] All leasing of lands after 6 May of this year may not be affected by nor remain subject to Decree 207, says Dr Jose Antonio Morales Ehrlich.

He stated that the lessee, sharecropper, etc., has no right of resource to FINATA nor can this organization extend any property title in such circumstances.

Dr Ehrlich, in referring to the application of 207 says: "San Salvador 15 July 1982. Mr Director, LA PRENSA GRAFICA. Hand Delivered.

Dear Mr Director: Out of honor and respect for public opinion, I would like to make some clarifications with regard to the concepts I expressed in a press conference on the 13th of this month, which I would appreciate being given space in your prestigious press.

First, I wish to focus on some aspects of the decrees of the Constituent Assembly limiting the application of the Law for Appropriation and Transfer of Farm Lands to Their Direct Cultivators, better known as Decree 207 and the Basic Agrarian Reform Law, to the leasing of lands for cotton, sugar cane, etc.

Scope of Application of Decree 207 and Agrarian Reform Law

According to Decree 207, all properties or parcels were affected that on the effective date of said decree, that is as of 6 May 1980, were being worked by simple lease or promise of sale, sharecropping, sale by installments with reservation of ownership, or to any title which others were working in exchange for cash payment or in kind. It did not matter that the contract was verbal or written and the law would be applied even when the price had not been paid by this date. Finally, we must remember that according to the law all lease contracts were extended, therefore no one could allege termination either prior to or after the effective date of Decree 207.

In Article 9 of Decree 207, a 1-year term was established, counted from publication in the Official Journal, so that the lessees and other beneficiaries would show their desire to be grantees and to become landowners. The 1-year

term would expire in March 1982, but the governing Revolutionary Junta extended it as for various reasons many beneficiaries were unable to exercise their right.

For its part, the Agrarian Reform Law affects all lands, regardless of their crops, location, productivity, system of tenancy, quality of soil or other variables, and also affects them at any time when they do not fulfill or cease to fulfill their social function as per the 1962 Constitution. Now, these lands do not fulfill the social function: a) land that exceeds the reserve limit established by law (100-150 hectares), b) those that are worked through lease or other indirect means, c) those that do not yield a minimum of produce or productivity, d) those that are worked contrary to the development plans outlined by the State, 3) those that are worked to the detriment of the soil, water and other renewable resources, and f) those that are worked without respect to the social security and labor laws.

The expropriation of the aforementioned lands would be carried out by ISTA (Salvadoran Institute of Agrarian Transformation) through special regulation decreed by the Executive Authority. This notwithstanding, by special decree No 154, proceedings were begun to occupy and take possession of 500 hectares of major real estate holdings in March 1980, which was referred to as Phase 1.

#### Leasings after 6 May 1980

It should, therefore, be evident that all new leasing of land after 6 May 1982 cannot be affected by nor be subject to Decree 207, and that the lessee, sharecropper, etc., has no right to recourse to FINATA, nor may this entity extend any property title.

It is the Agrarian Reform Law which controls leasing after 6 May 1980, since said law deems that owners of land given by lease do not comply with the social function required by the Constitution and, therefore, ISTA may expropriate them. When would ISTA do this? When the Executive Authority decides by a special ruling.

#### Why a Letter and not a Decree

It is, therefore, understandable why the governing Revolutionary Junta could not issue a Decree ordering that Decree 207 not be applied to the leasing of lands for cotton, as some individuals and farming associations had requested.

This is why I always issued a letter of commitment in the sense that the lands which were the object of contracts for cotton planting would not be affected by Decree 207, since as it was it could not affect them and also it assured that they would not be affected by the Agrarian Reform Law, since the governing Revolutionary Junta had not ordered either continuing with the second phase or with successive phases, as could be lands whose exploitation did not comply with the social function.

This letter was issued at the request of some associations, especially the cotton growers, as they indicated that with a written assurance they would increase cotton planting.

That is why we should ask ourselves, if fear of agrarian reform caused only 75,000 manzanas of cotton to be planted in 1981, why is it that now, in 1982, when PCN (National Conciliation Party), ARENA (National Renewal Alliance), etc., have power and have issued Decrees, not letters, to guarantee that Decree 207 not be applied, and according to them the farmers are safe and do not fear agrarian reform, why then are only 50,000 manzanas going to be planted?

It is a great shame that many with ears did not wish to listen, and with eyes did not want to see, and that others well aware of the extent of the law devoted themselves to distorting the reality for sometimes unspeakable ends, which are now beginning to come to light.

In the next installment, Mr Director, we will continue speaking about this important matter. Most Obedient Dr Jose Antonio Morales Ehrlich."

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CSO: 3010/2038

FORMER MINISTER GUEVARA MORAN SPEAKS ON LAND REFORM.

San Salvador LA PRENSA GRAFICA in Spanish 20 Jul 82 pp 2, 31

[Text] With the first phase of Agrarian Reform, barely 300 people have been affected, while benefitting 35,000 peasant families, stated Joaquin Guevara Moran, former minister of agriculture and livestock (MAG).

The above was told in a conference given to independent contractors at the Salvadoran Institute of Municipal Administration, ISAM. Those affected in the first phase, he indicated, held some 220,000 hectares, and the cooperative participants to whom these lands have been livered have continued with the same traditional production model with some slight variations.

Guevara Moran assured that the nationalization of banking was necessary as it happened that the landowners were from the banking establishment and foreign business, and that is why those three aspects of our economic activity were nationalized.

It is necessary to push programs that are not giving a minimal margin to the Salvadoran peasant, who makes up 72 percent of our population, some 3 million residents, he stated. The peasant to date has not had access to what has been set aside for health, water, food supplies, clothing, education, etc., as the very structure for it has not permitted it, he said.

The demand for food requires that these lands begin producing at higher levels, the same demand that has necessitated bringing a greater amount of foreign exchange into our country, said Guevara Moran.

Forty percent of the work days in the year are all that the peasant works; at this juncture Decree 207 is extremely important, as by awarding a parcel to the peasant he has a way to work it throughout the entire year, and he concluded, the only thing that must be offered to this man of the land is the technical know-how.

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CSO: 3010/2038

## MINISTER FIGUEROA ON TAXES, PUBLIC DEBT, OTHER ISSUES

Guatemala DIARIO DE CENTRO AMERICA in Spanish 14 Jul 82 p 7

[Text] The minister of finance, Dr Leonardo Figueroa Villate, declared that raising the minimum income that requires the filing of an income tax return will diminish the national treasury by approximately 12 million quetzals; nevertheless, he added, the government of the republic made the reduction in order to help a large sector of the Guatemalan population, both public and private.

Dr Figueroa Villate said that around 70 percent of the state employees will be virtually unaffected by the income tax. The measure will especially favor the nation's teachers and even though the country's income will decrease, this decision was taken so that the inflation we have been going through would affect people to a lesser degree.

The impact will be mitigated, Minister Figueroa Villate said, by facilitating the transaction so that it will be easier for the taxpayer to pay his tax in the stipulated time. Tax evasion, transferring of taxes and delinquency will be avoided. That is to say, he added, what we are trying to do is to give better service.

## New Sources for Jobs

While answering questions from newspapermen, Minister Figueroa Villate said that new job sources are being created. He said that 1 million quetzals were given to the Municipal Development Institute (INFOM), to take care of its needs, the municipality of the capital was given a loan for 2 million quetzals and soon construction will begin on the Wholesale Center, which will provide jobs for people who need them. This work, the wholesale center, will have an estimated cost of 32 million quetzals, 20 million of which will be financed by unsecured loans from the Inter-American Development Bank and the remaining 12 million will be contributed by the government. The Ministry of Communications will be the directing body of this center and the executive council will be composed of the municipality of the capital, INACOP [National Institute of Cooperatives] and the Ministry of Finance. That is to say, it will be staffed by professionals who will try to make the center as functional as possible.



## Amount of National Debt

In answer to questions from the press, the minister of finance said that the national external debt increased to 672,424,921.82 quetzals by last 30 June, and that this is much lower than that of other Latin American countries, which in some instances is as high as 1 to 1.5 billion quetzals. He pointed out that this is within the normal limits, and that negotiations are under way to get the terms extended, because since the loans were obtained from international private financial organizations, the terms are short.

Regarding the national internal debt, he stated that this has been consolidated under three headings: floating debts, treasury bills and treasury bonds. The first one totals 86,302,726.62 quetzals, the treasury bills total 168,827,683.56 quetzals and the bonded debt, that is to say, that backed by treasury bonds, totals 1,207,003,262.39 quetzals.

The minister of finance explained that this debt has been dragging on for many years and that the amount should not be alarming because this being a bonded debt, it is deferred in time, that is to say, it is to be paid off in installment periods that vary from 10 to 15 years.

## Monetary Reserves

The finance minister said that Guatemala's international net reserves totals 266,700,000,000 quetzals including debentures.

Regarding this he said that the foreign currency entering the country daily is equitably distributed among the businessmen and the country's debentures, which were contracted previously and which must be settled, but this will be done in accordance with a payment schedule and at a rate commensurate with the receipt of reinforcements offered by the financing that has been negotiated. Among the pending debts are the commitments to construct a complex of ports on the Pacific coast and the hydroelectric plants at Chulace and Chixoy. Also, appropriate negotiations are being carried out in order to have the money on schedule.

Regarding the national internal debt, that is, the one that must be paid with national currency, the ministry reported that we are up-to-date and that those who have complied with formalities of the purchase and payment orders will have their contracted obligations cancelled by the government and the republic.

## Export Perspectives

Minister Figueroa Villate emphasized that the contacts and the work done by institutions created for this purpose lead one to expect that exports will be greater than in the preceding year. For this reason they are trying to export to non-traditional markets. He said that the prediction is that by the end of the year our export products will tend to increase in volume as well as in price, probably by an amount between 1.4 and 1.6 billion quetzals.

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CSO: 3010/2044

## MINISTER MATHEU D. HOLDS CONFERENCE WITH PRIVATE SECTOR

Guatemala PRENSA LIBRE in Spanish 14 Jul 82 p 2

[Text] The minister of economy, Julio Matheu D., spoke clearly yesterday in saying that Guatemala is facing one of the most serious integral crises in the history of its economic development, since, he said, it doesn't compare even with the crisis of the 30's.

He made this statement during a talk that he gave yesterday at the CEM [Center for Military Studies] to a large group of industrialists.

He said that the present crisis has much greater dimensions in "quantity of money, number of problems and in the complexity of solutions that the situation requires."

Among the problems coalescing in the crisis, he added, is the decrease and the extraordinary weakening of productive activity, which has caused the closing of businesses, greater unemployment and underemployment, and the scarcity of goods and services.

To this should be added, he said, the guerrillas and the deterioration of our international prestige, reflected in the lack of external credit and the denial of help from some countries which traditionally had been at our side.

He added that the scenario presented requires "immediate proposals by the government based on the most realistic plan possible within the parameters we have, in order to reach practical solutions."

But--and here is an allusion to all those here present and to the whole country--to organize the economic takeoff, the unity of all Guatemalans will be necessary, setting aside the idea that only the government or only the private sector should solve the problems. No way. The unity must be clear and prompt on the part of those who call themselves public sector and private sector. Only thus will we help the country to get ahead.

Later on he said that Guatemala's economic recuperation will be achieved "through respect for the freedom that God has given us and as a result, through development based on the principles of freedom of enterprise."

From another point of view, he continued, we should make our middle class more productive and vigorous, and search for a way to make every Guatemalan middle class, which will mean distribution of wealth. That is, the realization of our idea of social justice for the benefit of the great majority of our population.

#### Emergency Plan

Matheu also said that the government had already finished the study of an emergency plan which, he said, will give us clearer outlines of a more determined support for the development of traditional products so as to get the "true farmers to join the field of agrobusiness."

#### In the National Palace

Yesterday afternoon minister Matheu held a brief press conference to summarize the contents of the talk he gave at the CEM.

He said that the nontraditional products exported outside of Latin America constitute a launching base for the national economy.

If we adopt clear measures, we will be able to close the deficit gap of which Mr Jorge Gonzalez del Valle, president of the Bank of Guatemala, spoke to us, and we will thus be able to regain our equilibrium in regard to foreign currency, which would allow us to keep up the standard and the economic schedule for the importation of the products we need for agriculture, the purchase of products for commerce and the procurement of capital goods and supplies for our industry.

The goal for 1982 then is to place 360 million quetzals worth of nontraditional products outside of the Central American isthmus. This includes agricultural as well as industrial products. If we consider that in 1981 we exported goods of this type worth 253,500,000, it is easy to conclude that we are proposing a realistic goal for the present year.

He added that GUATEXPRO has been designated as the executive committee in charge of carrying out this plan. To this effect, the institution is already giving service to 400 companies exporting nontraditional goods.

The minister of finance, Leonardo Figueroa Villate; the president of the Bank of Guatemala, Jorge Gonzalez del Valle; the vice minister for integration, Carlos Enrique Orantes and GUATEXPRO's manager, Ronaldo Porta Espana, also participated in the press conference.

The latter, in referring to his participation in the aforementioned plan, said that the 400 companies have been classified by groups and subgroups of products and on the basis of common interests in relation to preferred markets, need for commercial information, contacts with buyers as well as with the organization of commercial missions.

Also discussed was the designation of group coordinators by GUATEXPRO and by the general coordinator of the private sector, Mr Juan Jose Urruels.

When the minister of finance was asked about economic-financial matters, he said he could not answer at the moment because he, as well as the minister of economy, the president of the Bank of Guatemala and GUATEXPRO's administrator, had to go to the presidential palace, where President Rios Montt was already waiting for them.

Really, he said, the subject is important for public opinion, but we could not discuss it in 2 minutes for which reason I would appreciate it if the press would visit me at 11:00 a.m. in my office.

For his part, Gonzalez del Valle said that the meeting in the CEM was a routine one within the permanent ties between private enterprise and the government. He added that as far as the monetary control is concerned, the government and the industrialists were informed about the matter and that there was nothing out of the ordinary to report.

During the next few days, he continued, I will have the opportunity of talking to the press, at which time I think we could announce some important advances in relation to the balance of payments.

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CSO: 3010/2044

## MINISTER CASTILLO ARRIOLA ON NICARAGUA'S ARMS RACE

Guatemala PRENSA LIBRE in Spanish 9 Jul 82 p 4

[Text] The countries that make up the CDC [Central American Democratic Community] are uneasy at the armaments race taking place in Nicaragua, which constitutes an obstacle to development and peace in Central America, Guatemala's minister of foreign affairs, Mr Eduardo Castillo Arriola, said yesterday.

The government official gave an account of the meeting that took place in El Salvador and in which Guatemala became a member of the CDC, on accepting the principles by which this new organization is ruled.

He emphasized the appeal that this organization made to the Government of Nicaragua to stop the armaments race, which no doubt "scares and worries the other countries in the area, who are looking for the right way to achieve a peaceful and tranquil future."

The Nicaraguan Government, he stressed, has stated many times that it has 45,000 men in the army and 90,000 more in the reserves. It has also let it be known that it has armaments on loan from France and other countries.

This situation is worrisome from any point of view since the real purposes or objectives of Nicaragua in arming itself in this manner are not known. For all these reasons, Nicaragua will not be able to join the CDC, since not only would it have to stop the armaments race, it would also have to accept the basic principles that are the foundation of the Central American Democratic Community.

#### Why Guatemala Was Accepted

In another part of his statement, Castillo Arriola pointed out that Guatemala became a member of the CDC after receiving a formal invitation from the founding countries: Costa Rica, El Salvador and Honduras.

These countries understood that the present government is searching for the necessary mechanism to establish an eminently democratic and nationalistic future in Guatemala. This was the principal reason why our country was invited

to form part of this organization, besides the fact that its principles coincide with the objectives that the present government is implementing.

Finally the minister of foreign affairs said that on the 21st of the present month and at the end of same, other meetings will be held in order to establish the rules that will govern the CDC.

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## BRIEFS

EXPORT QUOTAS TO BE RAISED--The International Sugar Organization (ISO) agreed to raise Guatemala's export quota to 281,000 metric tons for the next season, according to statements made yesterday by the minister of foreign relations, Mr Eduardo Castillo Arriola. The government official said that he had received a cablegram yesterday from Mr Rene Montes, permanent representative from our country to that organization, who informed him of the decision made by the ISO to raise the quota by 50,000 additional tons. Guatemala had been assigned a quota of 231,000 tons, but on the request of the special committee, the ISO executive committee agreed to raise the sugar quota to 281,000 tons, which represents a very significant event for this country. Minister Castillo Arriola stated that such an event would increase the amount of foreign currency coming into the country. Mr Montes, who is also Guatemala's representative to the International Coffee Organization (OIC), informed the Ministry of Foreign Affairs about the success of the measures taken by Guatemala to improve certain parts of the text of the coffee agreement. Our country's export quota is 4 percent of the world's quota, which is equivalent to 4 million quintals. Guatemala proposed that a quota of 4.16 percent of the general quota be assigned to the country, that is to say, an increase of 16,000 quintals [as published]. Our country's petition was supported by the committee in charge and accepted for its final consideration by the OIC executive committee. Certain amendments proposed by Guatemala for the coffee agreement that will go into effect on 1 October 1983, also received the support of the other countries. [Text] [Guatemala PRENSA LIBRE in Spanish 7 Jul 82 p 10] 9907

CSO: 3010/2044

## DE LA MADRID ON U.S. ROLE IN AREA

Mexico City NOVEDADES in Spanish 24 Jul 82 pp 1, 11

[Excerpt] "I expect the United States to maintain peace in the Central American and Caribbean region, peace based on honor and dignity," declared Miguel de la Madrid, the victorious presidential candidate, in an interview with foreign journalists.

"I expect that respect will be shown for the rights of each nation to determine its own destiny and also to determine how to take part in the international systems of cooperation for the sake of promoting civic and social development among nations, always with respect for their own decisions," he added.

This was his answer to a question as to what he considers the role of the United States should be in the region.

Previously he had been asked about the political future of Mexico within the same region.

"Our policy will be to avoid international tension in the area, keeping to the principles of respect for each nation's sovereignty and the right of self-determination to make decisions based on a nation's political and social system."

He added, "We will maintain the principle of nonintervention as indispensable to peaceful and just life among nations, but also we will seek systems of international cooperation in order to help the region's weaker nations reach economic and social development."

De la Madrid explained that Mexico has a great interest in all of Latin America, since the nations of that region are closely related by history, culture and social makeup. Mexico always has been alert to developing events in Latin America.

11,989  
CSO: 3010/2060



## GUATEMALAN ENVOY: NO RECOGNITION OF BELIZE

Mexico City UNOMASUNO in Spanish 24 Jul 82 p 3

[Article by Victor Aviles]

[Excerpts] Because Guatemala believes there is no justification for the British acts of piracy, under no circumstances will it recognize the independence of Belize, according to a statement made yesterday by the new Guatemalan ambassador to Mexico, Julio Cesar Mendez Montenegro, after presenting his credentials to President Jose Lopez Portillo.

Mendez Montenegro, a former Guatemalan president who has resided in Mexico for 9 years, discounted the possibility of a military invasion of Belize "because it is not easy to fight a great power." However, he insisted that his nation will not give up its century-old historic and juridical claim to Belize.

The ambassador, who founded the Guatemalan National Liberation Movement, stated that just as the Malvinas belong to Argentina, Belize belongs to Guatemala. He admitted that his taking this stand could make the Central American crisis even worse.

Also presenting credentials at the National Palace were the new ambassadors of Costa Rica, Marcelo Prieto Jimenez, and of New Zealand, Lancelot Raymond Adams-Schneider. Prieto Jimenez said that if his nation is not able to make real progress toward stabilizing Central America, "The crisis and violence will eventually affect Costa Rica and destroy its stability."

Mendez Montenegro said that England occupied Belize "with the pretext of developing a woodcutting concession, and stayed there indefinitely."

Also he gave assurance that the relations between Mexico and Guatemala "are characterized by complete understanding" and that presently "there is nothing separating us."

Mendez Montenegro acknowledged that many of the persons leaving Guatemala to work in coffee plantations in Chiapas are fleeing repression, but he added that the repression is the fault not of the army but of subversive groups.

He said he had no information about possible solutions to the problem of Guatemalan emigrants "because practically speaking it is Mexico's problem."

Similarly, he admitted that the amnesty announced by Gen Efraim Rios Montt, the head of the Guatemalan military government, "in effect was rejected, just like the dialogue he called for." He said, "Therefore, unfortunately, the only alternative remaining was armed conflict."

Mendez Montenegro said that the Rios Montt government has set a deadline only for the convocation of a Congress (30 months) but not for the end of armed struggle, which, nevertheless, the nation can control, he added.

Lastly the new Guatemalan ambassador said he had no information on the whereabouts of three Mexicans, one of them a consul, who have disappeared in Guatemala. He said that he would seek information about them from the Guatemalan Foreign Ministry in hopes of providing a satisfactory answer.

11,989

CSO: 3010/2060

## NATURE, EXTENT OF OFFICIAL CORRUPTION RECOUNTED

## Guilty Individuals Enjoy Freedom

Mexico City PROCESO in Spanish 26 Jul 82 pp 6-12

[Article by Fernando Ortega Pizarro]

[Text] As is the case now with the concept of a moral renewal, 6 years ago the struggle against corruption was one of the driving forces, first, in Jose Lopez-Portillo's election campaign and then in the initial months of his administration.

The official morality campaign began in spectacular fashion. Its initial stages put high-level official and former officials behind bars: Eugenio Mendez Docurro, Felix Barra Garcia, Fausto Cantu Pena and Alfredo Rios Camarena, among others, filled the eight columns of the nation's newspapers with scandal. The struggle was "all-out," as President Lopez-Portillo told foreign correspondents in 1978.

With Oscar Flores Sanchez, the nation's attorney general, heading up the campaign, it brought prominence to special prosecutor Javier Coello Trejo, who personally took charge of investigations that led to the indictment and imprisonment of government officials and private businessmen accused of corruption.

The battle against corruption was also reflected during this 6-year term in the amendments to the Law of Responsibilities of Officials and Employees of the Federation and of the Federal District, passed in late 1979 for the purpose of making prosecution of official crimes prompter.

Another bill to regulate gifts to public officials was not as lucky, however; its good intentions never got past the Senate of the Republic.

The government was convinced that the struggle against corruption was doing fine, and in June 1979 Flores Sanchez stated that it had "yielded the desired results, and thanks to budget controls the people's money is properly safeguarded."

In point of fact, though, what is the bottom line on corruption, or the campaign against corruption, during this 6-year term? Has it been halted "to a very large extent," as Flores Sanchez said at the Fifth Meeting of the Republic? Has it prevented Mexico from becoming a country of cynics, a danger that President Lopez-Portillo warned of when he announced the amendments to the Law of Responsibilities?

The rundown we are presenting hereafter is based exclusively on official charges published in the nation's press. So far this 6-year term, the press has published 150 charges of official fraud involving a total of 81.597 billion pesos.

The government's special prosecutor, Javier Coello Trejo, said in November 1981 that just 11 billion pesos had been recovered over the past 5 years. "I think that it's not even one percent of what was stolen," he said, by 700 officials and former officials of this and previous administrations, as well as by 500 businessmen and private sector employees who were jailed.

Most of the cases of fraud have gone unnoticed, but the extent of the problem led Javier Coello Trejo to state in June 1980 that corruption would be uprooted from Mexico in twenty 6-year terms...

The history of corruption, as recorded in the pages of the press, has a different tale to tell.

Certain well-known public figures who were jailed are now free, such as Alfredo Rios Camarena, Felix Barra, Fausto Cantu Pena and Eugenio Mendez Docurro.

Others, such as several governors, have not even spent a minute behind bars: Carlos Armando Biebrich (Sonora), Oscar Flores Tapia (Coahuila), Arturo Noriega (Colima), Eliseo Jimenez Ruiz (Oaxaca), Armando Leon Bejarano (Morelos) and Ruben Figueroa (Guerrero). Only the first two were investigated, while charges are still pending against the rest.

Current estimates of cases and misappropriated monies are very sketchy. In any event, the pages of the capital's main newspapers are filled with the names of well-known figures who with greater or lesser ingenuity have plundered the public coffers: crafty businessmen or lawyers who evade taxes; social interest institutions, such as Banrural, that make officials rich; bold profiteers who speculate with the people's needs.

We also see charges of multimillion dollar cases of fraud or bribery that were previously published in the foreign press.

THE NEW YORK TIMES disclosed in February 1977 that Luis Echeverria was bribed by the CIA when he was secretary of government. In June 1978 the U.S. Justice Department investigated an American company that handed over several million pesos to high-level Mexican officials to secure the sale of planes to Aeromexico. In November of that same year it was learned in Washington that ITT paid bribes of several million dollars over 5 years to Mexican government officials and businessmen so that

they would make commercial decisions favoring the American multinational. In August 1981, Miguel Nasar Haro, the former head of the Federal Security Office, was implicated in a car theft ring, and at the same time San Diego Prosecutor William H. Kennedy identified him as a key CIA man. In May 1981 the U.S. Government began investigations into charges that U.S. companies bribed Pemex officials to win equipment purchase contracts.

Due to shortcomings in the Law of Responsibilities, other cases of illicit enrichment are allowed and go unnoticed. Powerful interest groups that lobbied the Chamber of Deputies when the amendment bill was being debated prevented certain crimes from being included, for example, an official acting as a contractor for the institution in which he works; or being able to purchase and resell land in the knowledge that the government is going to undertake a project there; or who becomes rich "inexplicably." The latter crime is included in the law as a secondary, not a primary issue, asserted Othon Perez Fernandez, the president of the National Association of Doctors of Law, in November 1981.

Official pardons were particularly generous this 6-year term.

As early as in his presidential campaign, candidate Jose Lopez-Portillo had voiced his policy on the matter. In Atoyac de Alvarez, Guerrero in February 1976, Lopez-Portillo had the following response to charges of impoverishment, bossism, monopolies, abuses, corruption, persecution and drug and arms trafficking: "Let us look at everything that unites us and forget everything that divides us."

As chief executive, he said in his 1979 government report that "we all condemn corruption as a concept, but when it comes down to names and faces, many, if they know the individuals well, turn their condemnation into commiseration and if they do not know them, into indignation and rage." In announcing the changes in the Law of Responsibilities, he stated: "We cannot become a nation of cynics."

Public opinion was more than perplexed when public figures whose guilt in major cases of fraud had been convincingly proven were released.

The former head of the DIPD [Federal District Police Intelligence Department], Jorge Obregon Lima, and the head of the district police's antiguerrilla squad, Jose Salomon Tanus, were acquitted. They had been accused in June 1976 of blackmailing invoice forgers and brokers, who sold them to companies. Fraud totaling 800 million pesos was involved.

Tanus accepted his guilt and charged Obregon Lima with being his accomplice. The PGR [Office of the Attorney General of the Republic] let them off because of "disappearance of evidence."

Charges were dropped for the same reason against the former governor of Guerrero, Israel Noguera Otero, in September 1979, when he was implicated in a multimillion peso defrauding of peasant farmers, and in February 1978

against the former governor of Sonora, Carlos Armando Biebrich, who according to the interim governor of Sonora, Alejandro Carrillo Marcor, became 36 million pesos richer through "theft, abuse of authority and embezzlement."

After a brief stay in jail and after returning what they had stolen while in office, the following men were set free: Eugenio Mendez Docurro in April 1978 when he returned the 49 million pesos he made use of while secretary of communications; in December, Felix Barra Garcia, the former secretary of the agrarian reform, who blackmailed small landowners in Coahuila for 50 million pesos; in December, Alfredo Rios Camarena, the director of the Banderas Bay Trust, who embezzled 530 million pesos earmarked, according to him, for the campaign of the former governor of Nayarit, Rogelio Flores Curiel, which ended in an election fraud, and in December 1981, Fausto Cantu Pena, the former director of INMECAFE [Mexican Coffee Institute], who was charged with fraud, embezzlement, bribery and use of false documents, involving a total of 800 million pesos.

More recently, Oscar Orrantia, the director of the Telegraph Company, who was charged with a 125-million peso swindle, committed suicide in jail. A different fate was in store for Augusto Gomez Villanueva, who was charged with the Banderas Bay and Cumbres de Llano Largo swindles (500 million pesos for authorizing the sale of lands at lower than actual prices) while he was secretary of agrarian reform. He was later chairman of the Grand Commission of the Chamber of Deputies and Mexican ambassador in Italy; he is now ambassador to Nicaragua.

Of the governors, Oscar Flores Tapia (Coahuila), who claimed that "I am the victim of a national conspiracy against the system," was accused of smuggling 10 million pesos worth of dyes and of adding 2 billion pesos, which turned out to be "explicable," to his net worth. He simply resigned, and according to news stories, 1 billion pesos in property was confiscated from him, which was regarded as a joke because his fortune was estimated at 5 billion. Charges of inexplicable enrichment and breach of trust were also leveled at the former governors of Morelos, Armando Leon Bejarano; of Oaxaca, Eliseo Jimenez Ruiz, and of Guerrero, Ruben Figueroa. None of the charges was followed up.

PRI deputies have also benefited from official pardons.

Miguel Lerma Candelaria was accused by the PGR of defrauding the Banrural of a sizable sum of money. Antonio Cepeda Pacheco was charged with stealing 50 million pesos from peasant farmers in Villa del Mar and Jose Maria Morelos in Jalisco, and Sergio Perez Tovar was accused of embezzling 130 million pesos from the funds of the Goodyear Oxo union.

The multimillion peso tax fraud perpetrated in January 1980 by domestic and foreign companies that contracted the consulting services of attorneys Jess Dalton and Harold Campbell did not come to much either. The crime had been planned with almost scientific rigor. Even the escape of the principals had been provided for. One year later, the Attorney General's Office dismissed the charges when it recovered 1.7 billion pesos, even though the initial amount was estimated at 3 billion.

Among the other firms that committed crimes was the Clayton Company, which bribed businessmen and officials of the previous administration into inflating the price of facilities constructed in Mexico, and Coca Cola, which also bribed customs agents so that it could bring in smuggled merchandise that reportedly enabled it to evade 900 million pesos in taxes.

With regard to the government's relations with its suppliers, the head of the Basic Standardization Unit of CONACYT [National Council for Science and Technology], Manuel Mario Gonzalez, disclosed in August 1980 that because of bribery or cronyism, the purchases of the public sector are 50 percent too high. In other words, companies pocket 50 billion pesos through fraudulent purchases.

In February 1977, the director of the IMSS [Mexican Social Security Institute], Arsenio Farell Cubillas, charged that a half dozen transnational laboratories, colluding with government officials, sold medicines at up to three times their actual price. The IMSS's annual purchases of medicine amounted to 2 billion pesos.

The capital city's newspapers reported on extraordinary instances of fraud that could be categorized as "chronic."

Most of the fraud is committed in the institutions that are supposed to protect and help our peasant farmers, to whom the country is said to be indebted.

The fraud in Banrural totals 4.528 billion pesos so far this 6-year term, and 1.457 billion in the Secretariat of the Agrarian Reform.

The assistant director of Preliminary Investigations of the PGR, Jose Francisco Villa, asserted in January 1981 that the corruption uncovered in Banrural "was more than expected" and that "it is truly shameful" how its officials and former officials have gotten rich. During its assemblies this 6-year term, the CCI [Independent Peasants Federation] hammered away at charges of corruption against its delegates from the states of Mexico, Queretaro, San Luis Potosi, Oaxaca and practically all over the country.

Some trust funds for the agrarian cause became the personal coffers of directors and employees. Fraud was committed in the Vaso de Taxcoco Commission (230 million pesos), in the Sisal Trust Fund (24 million pesos) and in the Ejido Livestock Trust Fund (10 million pesos), among others.

Paradoxically, even to the point of committing crimes, the representatives of the workers have found that unions are the way to get rich and maintain power by means of thugs or deals with the authorities.

The oil workers union is a fearsome one. The National Oil Workers Movement and the Liberal Oil Workers Movement have spoken out against a series of abuses of power. "It's Pemex," they say, "that's furthering the union

financially by giving so many soft jobs to its leaders." In January 1978 they cited Ramon Lopez Diaz as an example. He murdered Silvia Maria Priego and "several dissatisfied workers."

In December 1976 the leader of Section 22 of the Motor Transport Union committed a 26-million peso fraud; in December 1979 workers in the Mexicana de Aviacion union accused leaders Alfredo Alvarez Martinez and Juan Ortega Arenas (leader of the UOI) of a 40-million peso swindle; and in December 1980 tequila plant workers from the state of Jalisco claimed that the CTM [Confederation of Mexican Workers] delegation was involved in a 50-million peso fraud.

Land speculation has been one of the quickest and most effective ways to get rich during this administration.

The delegate from Tlahuac, Jaime Sanchez D., asserted in February 1981 that "the dishonesty of SRA [Agrarian Reform Secretariat] officials is aggravating the invasions of ejido lands." And as far back as January 1976, Jesus Silva Herzog said that the big fortunes in Mexico in recent years were made through land speculation in urban areas.

San Miguel Ajusco commune members, in November 1977, accused Mario Moya Palencia, Luis Vicente Echeverria Zuno, Luis Enrrique Bracamones, Pedro Ramirez Vazquez and Jorge Jimenez Cantu, among others, of having occupied 400 hectares of the zone through fraud.

Another example: the council of "Self-Administered Buildings" of Tlatelolco accused Enrique Olivares Santana, the then (March 1978) director of the National Bank of Public Works and Services, of "sowing the seeds of division and corruption among the various associations of residents in order to divert attention from the poor management of the bank in the housing development."

The cases of land speculation have multiplied, and though the daily press has not specified how much fraud has been committed and wealth amassed, "several billion pesos are involved."

The daily reports of administrative corruption have been exasperating.

Secretariat of Finance: Employees issued themselves 39 million pesos in checks; DF [Federal District] Airport: fiscal fraud estimated at 1 billion pesos over several years; Fish Products: fraud totaling 2.003 billion pesos in mismanagement and purchases of vessels; Secretariat of Patrimony and Industrial Development: 1 billion peso fraud involving scrap iron trucks (reports even mentioned the name of former President Luis Echeverria); CONASUPO [Government Basic Commodities Company]: 258 million pesos missing; Post Office: 400 million pesos in forged stamps; FONACOT: 38 million pesos in fraud; SAHOP [Secretariat for Human Settlements and Public Works]: 2.5 million pesos in forged invoices; National Railways: 40 million pesos in employee fraud; SARH [Secretariat of Agriculture and Water Resources]: 120-million peso fraud; Department of Fishing: 1 million pesos of fraud; SCT [Secretariat of Communications and Transport]: administrative fraud totaling 707 million pesos in various offices...



In January 1979, the former governor of Veracruz, Rafael Hernandez Ochoa, delivered an unusual speech in the presence of President Jose Lopez-Portillo.

He said, among other things, that the revolution has served only the bourgeoisie; that corruption is just as common in the corridors of the presidential palace as in stores and industry; that by not telling the truth, government officials are failing in their duty; that money is used only to oppress the people; that CONASUPO is not doing its job and thus leaves room for the immoral activities of profiteers; that politicians should fulfill their obligations to the people not just so that their names are engraved on gold plaques, and that the country ought to be governed by politics, not by a technocracy.

All of these instances of fraud and many others (150 in all were uncovered) were reported on throughout this 6-year administration by newspapers in the capital. Most of them got no farther than charges. Some were investigated. The findings of many investigations were never disclosed. It is not known whether others were looked into. The amount of money involved in the cases of corruption reported in the press totals about 81.597 billion pesos over the past 6 years.

Prosecutor Coello Trejo reported that 11 billion has been recovered. The whereabouts of the other 70 billion is a mystery. We do not know the actual amount of total corruption either.

Estimates aside, the data that we do have are enough: 81.6 billion pesos. This is equivalent to 19 times the profits that Bancomer [Bank of Commerce] earned in 1981 (4.135 billion). This is equivalent to 7 times the joint profits of the 4 largest private banking consortiums: Bancomer, Banamex, Serfin and Comermex (10.65 billion). This is equivalent to  $5\frac{1}{2}$  times the profits of the entire Mexican banking system (14.7 billion).

The sum of money involved in the fraud charges is equivalent to the joint budget expenditures of the Presidency of the Republic, National Defense, Labor and Social Welfare, the Agrarian Reform, Fishing, Tourism and Foreign relations (84 billion).

The 11 billion that has been recovered would almost be enough to cover the estimated outlays this year of Agrarian Reform and the Office of the Attorney General (12 billion).

The 70 billion that has not yet showed up is 5 times larger than the INMECAFE budget, 87 percent of the ISSSTE [Institute of Social Security and Services for Government Workers] budget, twice as large as the Fertimex budget and almost double the budget of Diesel Nacional. It is practically equal to the budget of the Secretariat of Commerce: 65.3 billion.

Viewed from another angle, the 81.6 billion is equivalent to the monthly minimum wage of  $7\frac{1}{2}$  million workers. The 70 billion that has been lost is equivalent to the total amount of tax breaks ("fiscal sacrifices") for low-income workers during the entire 6-year term.

Such is the extent of the fraud that has been reported. Corruption has its own budget.

#### Appraisal by Bar President

Mexico City PROCESO in Spanish 26 Jul 82 pp 6-7

[Text] Corruption Is Spreading; The Government Has Not Been Brave Enough to Punish Corrupt Officials: Aguilar y Quevedo

The situation is extremely dangerous, says the president of the Mexican Bar, Adolfo Aguilar y Quevedo, because the impunity with which officials dispose of the funds they were entrusted with undermines their character, tears down public figures and weakens the faith of the people, who are unconsciously encouraged to imitate their criminal conduct.

Corruption is spreading on all sides, he asserts. But the current administration and most of the ones since the revolution have not been brave enough to punish corrupt officials. "I don't know why this is the case. We are in a time of crisis."

Calmly smoking a few cigarettes, the attorney expressed his conviction that even if the Law of Responsibilities of Public Officials and Employees were turned into a perfect legal instrument, it would be unenforceable.

"The current law, with all its imperfections, is not being enforced. The administration of justice, the most important area of public activity, is the one that is allotted the fewest funds. Its personnel is inadequate in quality and quantity. It lacks agencies to investigate violations of the law. Up to now no one has been able to clarify the patently criminal origin of the great wealth of public officials.

"There is no real desire to punish the guilty, and thus the law becomes just another pretense."

He feels, nevertheless, that the current legislative shortcomings stem not from a preconceived intention to protect interests but from the incompetence of the people who drafted the laws.

The 61-year old Aguilar y Quevedo talked about the cases of corruption involving Alfredo Rios Camarena and the movie industry. He felt that both were exceptions and that the law was properly enforced.

Regarding Rios Camarena in particular he said: "He was released after spending  $4\frac{1}{2}$  years in jail. If every single immoral official had been cracked down on like he was, we would have made progress in morality. I think that it's a much more effective preventive measure when the people who commit crimes know that they are going to be given a jail sentence, even if it's not very long. But sentences are not handed down in most cases."

It was mentioned to him that the law has been enforced unequally. For example, Rios Camarena, who embezzled 500 million pesos, was not treated the same as Oscar Flores Tapia, who swindled 2 billion. Why the difference?

"I couldn't say because I'm not familiar with the case against Flores Tapia?"

"In general, are there clear-cut differences in how the law is enforced?"

"I think that a more serious problem has to do with the people who have not been punished at all, not sent to jail at all or not forced to return some of the money that they disposed of improperly. Where do the enormous mansions of lower-level officials come from? From crime. Those mansions are not in keeping with the standard of living they can achieve through their legal earnings."

"Why are some punished and others not?"

"We can't guess the reasons, but people talk in advance of partial, politically imperfect justice. The problem is not whether there is a good or bad law. The problem is the improper enforcement of the law."

"The people who took dollars out of the country and speculated on a devaluation of the peso were not investigated either. The president called them traitors, and yet nothing was done to stop them."

"Taking dollars out of the country is not prohibited," Aguilar clarified. "The fact that they are ill-gotten, not that they were taken out of the country, is the bad part. When amounts of money like the press mentioned leave a country, it's impossible that they were legally earned. The sums are not in keeping with licit earnings. This is an area to investigate."

"The famous law on gifts to officials was killed in the Senate, and the honesty of the officials who accept them is still in question."

"I contended that it was a pretense. The law was unenforceable. How are you going to estimate the value of a gift in relation to the salary of the official? There are countless ways the law could have been circumvented. You could avoid the problem by giving the gift to the official through a friend. It would have been a purely symbolic law, and we already have a lot of unenforceable laws."

"We have to join together: the representatives of the media, teachers, sociologists, physicians, psychiatrists, educators, professionals and, above all, lawyers to prevent our nation from falling prey to the culture of corruption, which has robbed so many countries of their grandeur."

But in the final analysis, the person most responsible for renewing the character, honesty and faith of Mexicans is the president of the republic. Aguilar y Quevedo hopes that some day an iron-willed man will come on the scene to put an end to corruption.

"Do you see the next president as this man of character?"

"We won't know until he takes office on 1 December. I hope he carries out his morality campaign. This is an extremely serious problem that he has to resolve."

"There is talk of a moral renewal, but in Miguel de la Madrid's own campaign there were already some signs of corruption."

"That's how Pitt came to power. He wasn't accompanied by perfect men, and of course the system was corrupt. It doesn't matter that he got in because of the Holy Spirit. That's why I still have faith. If other countries have given us an example, why can't we do the same?"

"Did Cardenas bring back dignity, honesty and faith to his nation?"

"Yes, but the technicians didn't do their job, especially the 'sidewalk' agronomists. They didn't teach the peasant farmers how to cultivate the land and began using them, as they say over there, just to pick up votes."

#### Law of Responsibilities

Mexico City PROCESO in Spanish 26 Jul 82 pp 8-9

[Article by Fernando Ortega Pizarro]

[Text] The Law of Responsibilities of Officials and Employees of the Federation, of the Federal District and of High-Level Officials no longer has the intent that the government of Lazaro Cardenas imparted to it (1939) and has become an administrative code.

During debate on the new law, and to ease the concerns of the 51st Legislature, PRI Deputy Ignacio Gonzalez Rubio clarified things once and for all:

"The law of responsibilities has absolutely nothing to do with jails or criminal trials. It has a different intent; it is a law that is meant for the lazy and for the people who might try and divert the country's political course. In addition, under the law it will no longer be possible for an official to work in government and to be involved in the world of business or to have other political interests."

The preamble to the new law, which President Lopez-Portillo submitted to the chamber in 1979, stipulates that only the law of responsibilities will apply to "official crimes" while the penal code will apply to common crimes and that public officials must comply with both "without any distinction."

Under the new law, official crimes "are those acts or omissions by officials or employees of the federation or of the Federal District, committed during or by reason of the performance of their duties, and which redound to the detriment of public interests and of promptness and efficiency."

Cardenas's law defined criminal offenses (breach of trust, deceit, fraud) but made a distinction between the crimes of high-level officials and the crimes of other officials. Although Lopez-Portillo's law aims at equality before the law, it establishes another type of distinction: the officials who enjoy privileges or exemptions [fueros] and those who do not.

And here, the legislators who were alarmed over the alleged police-like nature of the law breathed easier. In order to punish a high official with privileges (the president of the republic, regular deputies and senators, governors, local deputies and members of the Supreme Court), the PGR does not become directly involved, as it would in the case of the officials without privileges.

In such cases, the PRG would wait until the Chambers of Deputies and Senators, having set themselves up as a sort of attorney general's office, investigated the accused and ruled that he should be deprived of his privileges. The PRG would then investigate the individual, who, if found guilty, would be punished. The "effectiveness" of this procedure was demonstrated in the case of former Coahuila Governor Oscar Flores Tapia, who was never stripped of his privileges.

The maximum penalty under the law of responsibilities is dismissal. However, within a period "neither less than 5 years nor greater than 10," the official could hold another public post.

Inexplicable enrichment is an official, not a criminal offense. This is the only official offense defined in the new law, because the others are left vague, such as "attacks on democratic institutions, on the system of republican, representative and federal government, on the right to vote, on the constitution or on federal laws." Other official offenses include grave omissions, systematic violations of individual and social rights and acts or omissions to the detriment of public interests and promptness and efficiency.

During debate in the chamber, the opposition parties demanded and got a clarification that was not in the original law: "The (above) offenses cannot be committed through an expression of ideas," inasmuch as the assumption was that the government could crack down on its opponents under the simple pretext that they had "attacked institutions."

In any event, the law encompasses everything and nothing.

"It is extremely vague. We attorneys don't know what to do. We can't wage an effective struggle against corruption," asserted Raul Carranca y Rivas, a doctor of laws. Olga Islas, also a doctor of laws, had this to say: "If the crime of 'attacking democratic institutions' were enforced in the Chamber of Deputies, there would be only two or three lawmakers left, by reason of their frequent absence or irresponsibility."

## Wrongdoing By Diplomats

Mexico City PROCESO in Spanish 26 Jul 82 p 12

[Text] A "confidential official circular" many copies of which were distributed at the offices of the Foreign Relations Secretariat, mentioned the request for an arrest warrant against Mexico's former consul general in New York, Jaime Pena Vera Espejel, who was alleged to have embezzled \$144,576, which at the time the crime was allegedly committed was worth almost 3.3 million pesos.

"Consul Pena Vera Espejel was removed from office as of 16 June 1981, under Article 53 of the Organic Law of the Mexican Foreign Service. The Secretariat of Foreign Relations was obliged to take this measure in view of the various irregularities detected in the financial management of the Consulate General in New York."

The Office of the Attorney General of the Republic issued the arrest warrant on 27 May 1982. Pena Vera lives in the United States, and according to what he has told his friends, he claims that the alleged embezzlement involves funds misappropriated for the use of high-level Foreign Secretariat officials.

Previously, at our embassy in Iran, the SRE discovered that former Ambassador Luis Weckman Munoz and adviser Carlos Villamil had made improper use of more than \$22,000, part of the embassy's administrative outlays, to transport furniture and other items from Tehran overseas.

The same document that mentioned this misappropriation of funds told of the illicit profits made by our charge d'affaires in Iran, Miguel Angel Orozco, who exchanged some \$46,000 on the black market without reporting the extra money to SRE authorities. Weckman, Orozco and Villamil are still in the foreign service.

Last year, a letter from the Chemical Bank House complained that the Mexican Embassy's account in London was more than \$35,000 dollars overdrawn, and the bank threatened to take the case to court.

All of this comes under the area of responsibility of the chief clerk's office [oficialia mayor] of the SRE. The office is headed by Aida Gonzalez Martinez, who in 8 years rose from a mere typist to become an ambassador and chairwoman of the Board of Directors of the International Labor Organization headquartered in Geneva.

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CSO: 3010/2114

## LABOR, POLITICAL REACTION TO ECONOMIC MEASURES

## CT Support

Mexico City UNO MAS UNO in Spanish 10 Aug 82 pp 1, 10

[Article by Emilio Lomas M.]

[Text] The 34 organizations in the Congress of Labor decided yesterday unanimously at a closed-door session to support the government's moves to prevent the outflow of foreign exchange from the country, and to put off their wage demands aimed at bolstering the workers' buying power, as long as private enterprise does likewise in the area of prices and as long as merchants bring back the price tags that were in effect before the latest increase for staple goods.

At the close of a more than 2-hour meeting, the labor movement's top organization, which has been in permanent session for the past week, also resolved to honor the new monetary system designed to assure that funds are available to pay the country's foreign debt and import priority items. It also reaffirmed its close-knit alliance with the State.

In its final document the Labor Congress (CT) resolved to support the proposal submitted in the morning by national CTM [Confederation of Mexican Workers] leader Fidel Velazquez to the effect that the organizations in the country's organized labor movement make ready to present their buying power recovery demands when they know for certain how much the actual loss has been.

They also decided that if business does not respond to this appeal for unity, the CT will move rapidly and in the same interest it demonstrated on the occasion of the previous devaluation of our currency last February, when it achieved retroactive boosts of 10, 20 and 30 percent.

The document, which was shown to the media, points out that because of the economic situation in the country in the wake of the recent financial adjustments, and heeding the president's appeal, the CT has resolved, first, that "the current problem is of such magnitude that it must be attacked jointly and with a great sense of responsibility on the part of the working class, so that the conclusions reached have truly positive effects that redound to its benefit and to the benefit of the nation."

It also stated that, consistent with its own principles, it must support the measures taken by the government of the republic, because it regards them as sound and because it wants to fulfill the commitment it has made.

It clarified in this regard that the country's organized labor movement is willing to postpone its wage demands aimed at bolstering the purchasing power of workers, which declined because of the recent increases in the price of tortillas, bread, electricity and gasoline (the direct impact of which it has not quantified), as long as the private sector does likewise in the area of prices and as long as merchants again charge the same amount for these basic items as before the recent price hike.

It also reiterated that the working class is unquestionably getting ready to present purchasing power recovery demands and that it would do so at the appropriate moment if a response is not forthcoming from private business. It asserted further that the CT is determined to move quickly.

It was reported at the close of the meeting that the Economic Committee would continue in session until it gets a more accurate idea of the impact that the recent price hikes have had on the workers' buying power and until it can estimate the percentage in accordance with the country's actual economic situation.

The delegates also said that their initial conclusions would be submitted to the chief executive, possibly this week; they clarified, however, that the thrust of the conclusions could change radically if private business does not respond with specific actions in a joint effort.

All of the segments of the population are involved in this de facto alliance, since one segment cannot sacrifice itself just because another does not do its share, the official spokesman of the CT and the CTM, Ignacio Zuniga, said at the close of the meeting.

#### PSUM Suggests Front

Mexico City UNO MAS UNO in Spanish 11 Aug 82 p 3

[Article by Rene Delgado]

[Text] The Unified Socialist Party of Mexico (PSUM) stated yesterday that if the two-tiered exchange rate for the peso and dollar is not accompanied by a consistent economic policy, the government's measure could "be headed for failure at a great cost," inasmuch as letting the rate float under the control of private banks will trigger speculation that will have repercussions on prices and drag down the country's economy.

At a press conference presided over by leader Pablo Gomez Alvarez, the PSUM disclosed its economic policies in the area of prices, wages and profits; production and jobs; straightening out the national economy and public finances. It also voiced several judgments on the crisis facing the country, the most important of which were:



--The country will not be able to pay its foreign debt unless development is halted and social outlays sacrificed. In view of this, it should try to form a front with the countries that are in a similar situation so that they can renegotiate their debt payments under "less harsh" conditions;

--The free exchange rate system, which benefits only speculators and bankers, should be ended once and for all and replaced by comprehensive exchange controls;

--Because the government implemented the two-tiered system too late, \$20 billion left the country over the past 12 months;

--The Labor Congress's position of not demanding wage boosts if prices return to their pre-1 August levels is "illusory and unworkable" and demonstrates the enormous political weakness and powerlessness of the labor leaders who support this stand; and

--The PSUM is prepared to form a front with the Labor Congress and with all union and political forces to defend the true interests of the workers.

A PSUM document was read and distributed at the press conference. It states that the two-tiered peso-dollar exchange rate could be a first step towards ending the absurd uncontrolled exchange system that was used only to speculate and to do business in dollars at the expense of the working class economy.

It emphasizes, nevertheless, that the main drawback of the two-tiered system is that it leaves the exchange rate floating under the control of bankers and that it includes the payback of all debts under the preferential rate. "This allows for further speculation, boosts prices even further, further concentrates wealth in the banks and heightens the distress of major segments of the population," the document states.

After stressing the limitations and inadequacy of the government measure, it points out that because the decision was made belatedly, about \$20 billion left the country in just 12 months, to which should be added the more than \$13 billion in deposits in private and mixed banks.

"The current situation in which these measures have been taken," the document goes on to say, "is sufficiently grave to give serious consideration to a sweeping change in the direction of economic policy. The country has been plundered. The hopes placed in an oil boom that would make sound development possible have vanished."

Further on it states that high interest rates and the policy of subsidizing and supporting private financial groups above and beyond the national interest are making the situation worse, by causing layoffs and even the definitive shutdown of work places. The PSUM then began discussing its economic policy proposals.

With regard to the prices-wages-profits relationship, the PSUM is demanding: the immediate restoration of the workers' purchasing power through a general wage hike; the establishment of a sliding wage scale; the imposition of effective price controls; the nationalization of the monopolies that control the food, chemical-pharmaceutical and construction industries, and controls on business profits.

In connection with production and jobs, the PSUM is calling for: government projects for the mass construction of low-cost dwellings; support for ejidos, communities and small farms to boost the production of basic foodstuffs, and the establishment of unemployment insurance.

As regards straightening out the national economy, the PSUM advocates: comprehensive exchange controls to eliminate the ill-termed "free" market; the abolition of government subsidies for big business; the freezing of interest rates, dividends and returns on capital; a ban on and penalties for currency speculation, and the nationalization of banking.

Lastly, with regard to public finance, it demands: a tax reform, the first measure in which would be a tax on banks and bank deposits; no new foreign debts and a move to renegotiate the existing debt by getting together a group of debtor countries in a situation similar to Mexico's, and continuing government outlays for priority activities.

#### PRT Labor Unity Appeal

Mexico City UNO MAS UNO in Spanish 11 Aug 82 p 2

[Article by Rene Delgado]

[Text] The Revolutionary Party of the Workers (PRT) stated yesterday that all unions, "regardless of their leaders," must begin to close ranks quickly to defend the economy, living standard and jobs of the workers. For its part, the Popular Socialist Party (PPS) stated that the government cannot continue to demand solidarity and support from the labor movement if it does not take it into account in its "authoritative" decisions.

The two views were expressed in connection with the CT's decision not to demand wage boosts if the prices of staple foods, electricity and gasoline return to the levels prior to the recent hike.

The Mexican Democratic Party (PDM) felt that the labor movement's decision was "utopian and unrealistic" and demanded the establishment of a "family wage" so that workers and their families could regain their purchasing power. For his part, PAN [National Action Party] leader Hiram Escudero merely pointed out that in view of the current economic situation prices and wages must be kept in balance so that the economy of the masses is not impaired further.

PRT leader Ulises Martinez noted that the Labor Congress should stop trusting in the good will of businessmen and the government's supposed ability to control prices and should begin rallying the masses and applying pressure so that the economy of the workers does not deteriorate further.

Along with this statement, the PRT issued a communique in which it points out that the Labor Congress should be called upon to abandon its "close-knit alliance with the State" to clarify the role that the State is playing as a "fundamental bastion of the bourgeoisie in this offensive against the workers."

"The basic responsibility in a move towards unified action to defend the workers lies with the Labor Congress," the PRT document notes. "Therefore, it should immediately rally its members to force the employers association and the government to slash prices and boost wages." It noted prior to this that the march tomorrow to protest the high cost of living is "a first attempt at unity."

The widespread price hikes and the devaluation of the peso represent "a new escalade of violence against the workers," an escalade that, aside from its many repercussions, has brought about, so far this year, the dismissal of a million workers in the government bureaucracy and the construction, automotive and oil industries, the document adds.

In the view of PPS spokesman Francisco Ortiz Mendoza, the CT's stand means that an emergency wage hike will be demanded. He asserted that "the time has come to state that a revolutionary government cannot continue to demand solidarity and support from the people and the working class to defend itself against its enemies if it does not take them into account in its authoritative decisions and if it does not make them participants in the political and administrative running of the government."

The PPS spokesman stressed that the government has ignored the demands of the workers and that it is a fact that the bourgeoisie has more influence in government than the working class, even though the workers are the main supporters of the government and the State. He cautioned then that the next administration must have the working class "on its side" and really take what the workers say into consideration.

He indicated that it would be a serious mistake for the labor movement to withdraw its support for the government, but this should not in any way prevent it from expressing its demands. In conclusion, he pointed out that his party is demanding a sliding wage scale, a price freeze and stringent price controls. He stressed in particular that the foreign exchange controls decreed by the government must be extended to the free currency market because due to speculation the uncontrolled rate will exert pressure on the preferential rate.

PAN leader Hiram Escudero declined to talk about the stand taken by the CT but indicated that a fair balance ought to be maintained between wages and prices so that the workers' purchasing power is not further eroded by price hikes.

He noted that in light of the current crisis good intentions are not enough, inasmuch as our economic problems must be resolved through measures to halt inflation and strengthen the value of the peso, which has been severely devalued "because of the mistakes of the current administration."

Hiram Escudero said that such measures could include: boosting production, cutting back and prioritizing government spending, controlling the money supply and balancing the factors of production to achieve a more just redistribution of income.

The spokesman of the PDM, Arturo Ayala, described as "utopian and unrealistic" the labor movement's desire to have prices slashed to their 1 August levels, and he pointed out that the proper thing would be to demand a "family wage" so that workers could meet not only their own but also their families' needs.

Ayala Flores also came out in favor of legislation to tax the excess profits of big business, the repeal of the value added tax and a price freeze.

For its part, the Social Democratic Party (PSD) issued a communique analyzing the positive and negative aspects of the most recent devaluation and the two-tiered dollar-peso exchange rate system, calling for a national economic rationalization program.

Among the positive aspects, the Social Democrats noted that the tight exchange controls have shattered the myth of the unfettered convertibility of the peso, which turned into speculation against the peso and the plundering of the Bank of Mexico's coffers. They added that the controls would reduce, not eliminate the dollar domination of our economy, spur priority development areas and dampen the impact of the devaluation on our foreign debt payments.

On the negative side, they stress that the two-tier system reduces the workers' buying power; does not dispel "the threats to the peso" because it alerts speculators and capitalists to the end of the free currency market, and fosters a fictitious economy inasmuch as the people will be subsidizing the public and private debt and because the treasury authorities will still have discretion to determine what "the national interest," "basic consumption," "priority areas" and "strategic inputs" are for dollar transactions at the preferential rate, which could lead to corruption.

On the basis of this assessment, the Social Democrats proposed their national economic rationalization program, which includes: comprehensive exchange controls; the startup of a productivity program in priority sectors; a cut in the value added tax from 10 to 5 percent, while exempting basic items; strict price controls and criminal penalties for profiteers and hoarders; a sliding wage scale, a "reasonable" foreign debt moratorium and the elimination of subsidies.

## DANIEL ORTEGA ON EDEN PASTORA, NONALIGNMENT

Madrid EL PAIS in Spanish 15 Jul 82 p 8

[Interview with Daniel Ortega Saavedra, Coordinator of the Junta of the Government of National Reconstruction of Nicaragua, by the editor of EL PAIS, Rafael Fraguas: "They Are Forcing Us To Support the Guerrilla War in Honduras"; 14 July, Madrid]

[Text] Daniel Ortega Saavedra, chief of state of Nicaragua, at the age of 36 is administering the Sandinist state, government, and revolution, which is approaching the third anniversary of the overthrow of dictator Anastasio Somoza. On his face one can note the weight of the heavy responsibilities hanging over the heads of the leaders of a country like his, which is undergoing a complete revolutionary process in the midst of the maelstrom of conflicts and wars rocking Central America. Yesterday he was in Madrid, where he met with the King of Spain. He talked with the editor of this newspaper in the hotel where he is staying in Madrid.

[Question] Is there a real risk that the war in Central America will become generalized?

[Answer] We are at the threshold of a war of this kind in Central America. We are already experiencing it. Honduras is supporting those who want to invade Nicaragua from its territory....

[Question] According to all observers, there is no political alternative after the Somoza dictatorship. Somoza was overthrown by a popular insurrection. Do you not think that you people, without grounds, are turning the Somoza dictatorship into a real specter?

[Answer] Right now there are some 5,000 Somozist guards in Honduras. We know that they cannot make history take a turnaround, because Nicaragua kicked them out with its revolution. Nevertheless, they can still do a lot of damage to our people, because the hidden motive behind their activity is that of getting the Honduran Army committed to a war with Nicaragua.

[Question] Could you be more specific?

[Answer] From Honduras, attacks have been launched against Nicaragua at eight points within our territory. Recently at Puerto Cabezas, they caused the deaths of 51 and the injuries of over 20. The chief of the Honduran Army, Gustavo Alvarez, has always been asking for war against Nicaragua. They are forcing us to support the guerrilla war in Honduras. When Honduras moves its regular forces in a hostile way along the border, El Salvador follows suit. All these operations have the backing of the administration of Ronald Reagan.

[Question] Is not the Nicaraguan Government exaggerating the American role in the region?

[Answer] Look: In Honduras there is more than a company of the American army dedicated to the task of supporting the aggression against Nicaragua and destabilization. On the American peninsula of Florida, training camps for Somozist guards continue to exist, which the Reagan administration justifies as a guarantee of freedom, and which you can be sure is not being used against the guerrilla war in Guatemala or El Salvador. In Nicaragua we are not exaggerating at all in this regard.

[Question] Why?

[Answer] Because we have every right to think that there could be a U.S. intervention in Nicaragua. In the past there have been American interventions against our people. The Reagan administration is willing to liquidate the Nicaraguan revolution, it cut off economic aid, sowed confusion by putting us under pressure among friendly European and international organizations and hurt our image as far as international banking is concerned.

[Question] What effects has this had on European governments?

[Answer] The consequences have been partial.

[Question] Has there been any change of heart toward the Nicaraguan revolution on the part of the Socialist International?

[Answer] The American administration tried to strike at us from all sides and confused a faction of the Socialist International. Nevertheless, we have confidence that it will come to its senses.

[Question] As far as the problems your country is confronting are concerned, you blame the United States for most of your ills. What portion do you attribute to your own errors?

[Answer] One hundred percent of the responsibility for our problems rests with the current American attitude. When our revolution triumphed, Jimmy Carter's government adopted a realistic and pragmatic attitude toward us, despite the effect produced in the not conservative sectors of the United

States. Human rights were observed. Talks were begun, I met with Carter, and I thought that a new, desired era was dawning for Nicaragua.

[Question] What hindered that process?

[Answer] Reagan's triumph has been decisive in limiting the possibilities of negotiation and in increasing the risks of destabilization throughout the zone. Nevertheless, Nicaragua wants to sit around the same table with the American government, but Washington establishes inadmissible preconditions. To achieve our purpose, we propose, with a mediating and witness country (Mexico, Venezuela, France, or Spain), to review and straighten out all the points of contention and achieve a normal situation in our relations. To date we have not had success.

[Question] What do you think about the defection of Eden Pastora and the interveners?

[Answer] There has been no defection of the interveners. When the Sandinist Front underwent the schism during August and September of 1977, Tirado Lopez, Humberto Ortega, and I called Eden Pastora, who had left. The real problem with Eden Pastora is that when a revolution tries to become authentic, it brings to bear great pressure, which not all men have the strength to deal with.

[Question] Under normal circumstances this is debatable. But in the case of Eden Pastora, who fought in the guerrilla war for 20 years, it does not seem reasonable that....

[Answer] To tell the truth, Eden fought and had his merits; this must be acknowledge and I do not doubt it. But during the time he fought, there were periods during which he devoted himself to his private life. His combat capability and the valor he displayed do not automatically give him the ability to deal with the complex problems of a revolution like ours. That complexity weakens the revolutionary fortitude that he had shown up until then. He is accusing us of having provoked the United States unnecessarily and that we do not know how to deal with Washington. Our idea is that, if we want to defend our revolution, we will have to confront the United States. I know that Pastora will not act like the Somoquist guards, but I would like to remind Eden that there are not two revolutions, but rather only one, and that sooner or later he who opposes the revolution becomes part of the only existing counterrevolution.

[Question] Eden Pastora speaks of government corruption in Managua. What do you think of that?

[Answer] Those accusations are easiest to hurl, but the most difficult to prove. He knows he is lying. Any human being can find himself in a situation in which he can fall prey to corruption, but in Nicaragua we maintain continual surveillance to avoid those things. Regarding what he said about the fact that we use vehicles like Mercedes Benz, I do not think it is a crime to use nice cars such as this model, which were already there in Nicaragua.

[Question] The United States claims that Nicaragua has undertaken a disproportionate and dangerous arms race. What do you think about this matter?

[Answer] This is all in line with the desire to depict us as a country armed to the teeth whose government does not have the support of the people. At this stage of the game, Nicaragua has no air force. They have said that we have Mig planes and I do not know what all else. We have very modest technological means. What we do have are the confidence and combat capability of our people, as well as the possibility of calling that people to arms if that should ever be necessary. Nicaragua reserves for itself the sovereign right to arm itself and defend its revolution.

[Question] There is no doubt that Nicaragua has aligned itself with the socialist world. What are the relations between your country and the East?

[Answer] If we were as aligned with the East as they say, we would not be so worried about developing our relations with Spain, France, Mexico, or Venezuela, for example. To favor our policy of nonalignment, we are obligated to seek our pluralist economic, military, and political support. We have repeatedly stated our desire to maintain good relations with the United States. The USSR has had a very respectful attitude toward Nicaragua, has not attached strings to its aid, and respects our position. Our relations with the USSR, as well as with Spain, Mexico, Venezuela, and France, are exemplary.

[Question] Would establishing exemplary relations between Nicaragua and the United States imply unexemplary relations with the USSR?

[Answer] We cannot accept conditions along these lines. When there are strings attached, it is not possible to follow a policy of complete non-alignment.

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CSO: 3010/2030



## BRIEFS

CUBAN MEDICAL INTERNS--On Saturday 106 Cuban doctors will conclude their medical internships in Managua after 18 months of preprofessional training in that country where they went to cooperate with the health program being carried out by the Nicaraguan Government. The young specialists expressed their willingness to go to Nicaragua to conclude their advanced studies and to stay as long as necessary, offering their assistance to the Nicaraguan Health Ministry. During their work in the Central American country, the doctors took care of more than 72,000 cases; they also participated in 878 minor surgical operations and approximately 4,000 deliveries. This is the first time that Cuban university students have graduated outside of Cuba. [Text] [PA200235 Havana International Service in Spanish 1600 GMT 19 Aug 82]

CSO: 3010/2182

## NEW TRENDS IN FOREIGN POLICY ANALYZED

Caracas ZETA in Spanish 25 Jul 82 pp 60-61

[Text] When it was announced that in response to an invitation from the Sandinist Government Junta, President Luis Herrera Campins would travel to Managua to attend the ceremonies commemorating the third anniversary of the Nicaraguan revolution, many questions arose in the minds of those observing the situation in the Caribbean and Central America, a region marked by outbreaks of violence and ideological confrontation as a reflection of the confrontation between the major world power poles.

It was certainly a bold move by the Venezuelan chief executive. For months our country's foreign policy had given unequivocal indications that it agreed with the United States' arguments that there was Cuban-Soviet involvement in Central America. Managua was sounding quite pro-Fidel and, significantly, showing indifference to any advisory services that did come from Havana. In spite of the comments couched in prudent diplomatic language, it was obvious that the Sandinists and Venezuelan foreign policy were on diverging courses.

The presence of Luis Herrera in Managua dispelled those question marks. Demonstrating a skill with words such as he had not exhibited for many years, the resident of Miraflores took advantage of his trip to Managua to put forth ideas that were Latin American through and through. With regard to foreign affairs, he opted for pluralism, which in the judgment of many analysts, opened the door to a reconciliation with Cuba on the basis of mutual respect for the internal affairs of the two countries. As far as domestic matters were concerned, the voice of conscience, as is his wont, called on the Sandinists to reflect on the aims of their revolution against Somoza, which had Venezuela's support, and urged them to respect pluralism.

He refused to take the role of an adviser and made this known in clear, categorical terms, but observers did not fail to notice a somewhat recriminating, reproachful tone in his argument, which was generously embellished with references to Venezuela's contribution to the revolutionary cause of Sandino.

"As president of Venezuela's democracy," Luis Herrera remarked, "I am pleased to say that we have extended a friendly hand to Nicaragua at a time when many have refused to do so, that we have extended a friendly hand without political or military strings attached, in the conviction that in the end the promised pluralist system, which is a moral commitment by the revolution to the friendly peoples of Latin America, will be a reality."

Those listening to the Venezuelan president also perceived a strong warning (some even regarded it as something of an attack) to the United States because of the tone that the Reagan administration has lent to U.S. policy in Central America. The warning, or the attack if you prefer, was voiced openly before long. It came when he referred to the Anglo-Argentine conflict over the Falklands.

"And therefore," Luis Herrera stated without hesitation, "we have clearly expressed our profound disagreement with the stand taken by the United States, which after initially attempting to mediate in the conflict so as to prevent what was to be an absurd war, later took the side of the imperialist, colonialist aggressors, thus forcing us Latin Americans to reassess our relations within the inter-American system."

Nothing he could have said would have been more significant, in the almost unanimous view of analysts. On the same occasion some years back Fidel Castro had launched into an anti-American diatribe in keeping with Cuba's alignment with Moscow's foreign policy. This time Managua heard Luis Herrera, free from commitments to foreign powers, relying on the enormous moral strength of his solidarity with an Argentina assaulted by a colonialist England, his voice devoid of anger and his speech based exclusively on Bolivarian and Sandinist ideals and consistent with the purest Latin American traditions.

Observers almost unanimously felt that Luis Herrera had outlined a new Venezuelan foreign policy, whose points are as follows: First, he would continue to call for pluralism within the Nicaraguan revolution, but without cutting back on continued cooperation in reconstructing the country. Secondly (and this seemed to be corroborated by the absence of prominent pro-Fidel people at the ceremonies), he would accept the Sandinists as go-betweens in seeking Caracas-Havana detente. Thirdly, though not last on a true list of priorities, he confirmed Venezuela's decision, which came as a direct result of the war in the South Atlantic, to reassess the inter-American system and make it a true regional organization free from commitments contracted by the United States in the pursuit of its overall strategy of confrontation with the USSR.

We should mention one curious incident that took place during the ceremonies commemorating the socialist revolution. The U.S. ambassador in Managua got up and left when Commander Daniel Ortega accused the Reagan administration of pursuing a policy of destabilization in the area.

## ACADEMICIAN VIEWS MARINE, SUBMARINE BOUNDARIES CONCEPT

Caracas EL UNIVERSAL in Spanish 3 Aug 82 p 1-13

[Article by Carlos Moros]

[Text] Dr Isidro Morales Paul turned his speech accepting full-fledged membership in the Academy of Economic and Political Sciences into a master class. His treatment of the topic, marine and submarine boundaries off northern Venezuela, provided a detailed overview of the situation's legal, historic, geographic and other aspects, as he attempted to demonstrate that the treaties we have signed up to now with various countries (the Netherlands, the United States, France and the Dominican Republic) have been consistent with equity and our national interests and have set valuable precedents for the difficult talks with Colombia.

Isidro Morales Paul, an attorney, economist and doctor of political sciences, began his address by referring to the life and work of Pedro Guzman Jr, his predecessor in Seat 14 at the academy, who passed away in early 1980.

He praised the depth of Maracaibo attorney Pedro Guzman's knowledge and his extensive work as a researcher and public activist. Much of his speech was taken up with Guzman's analyses of the country's legal situation and of the judicial branch, as well as with some of his other activities. He then discussed the major problem of delimiting the entire northern coastline of Venezuela.

#### The Complex World of Marine Boundaries

His address centered around a book that the academy will soon publish and that deals with all of the complex aspects of marine and underwater boundaries, taking into account the theoretical and practical factors that have a bearing on Venezuela's situation. The basic point in the book is that it is of prime importance for a nation-state to determine the extent of its territory.

Morales Paul clarified terms and concepts. National sovereignty, demarcation, border, boundary and other terms emerged as unequivocal concepts from the mouth of the academician, who asserted that the world's oceans (which cover three-fourths of the globe) entail major difficulties because this is a new issue and because of the strategic and food resources they contain.

He mentioned the longstanding conflict between the "mare liberum" and the "mare clausum" (freedom of the seas versus one-nation jurisdiction) as the underlying international issue. He also highlighted several important demarcation standards, such as the widespread use of straight base lines at appropriate points along a coast; the 12-mile limit; the determination of "innocent passage" through territorial waters; the concept of "straits" in all their variations; the concept of archipelago States; the exclusive economic zone and the "creation of another zone that includes the ocean floor and the subsoil" as the common patrimony of mankind and beyond national jurisdiction.

After explaining the importance of geographic aspects, Morales Paul concluded with these two major concepts: the proportionality of coasts as a major geographic element and "the complete freedom" for neighboring States to appriase each situation, because each case of demarcation is unique.

#### The Caribbean Sea, an Unusual Body of Water That Is Vital to Us

The current vice president of the Supreme Electoral Council then discussed the characteristics of the Caribbean Sea: the proximity of islands and the mainland; 75 percent of its area separated from the ocean by islands and mainland; its scant contact (on the east) with the Atlantic and its relative lack of depth (2,700 meters), which prevents it from being classified as an ocean. And despite the lack of uniformity in unilateral legislation among the countries of the region, Morales Paul said he was "pleased to note that, in general, these laws respect the groundrules that apply to navigation in the exclusive economic zone."

Morales Paul stressed that one of the most vital concepts in undertaking negotiations is an equitable solution consistent with the principles and methods of marine demarcation. He then talked about the four pacts or treaties that our country has signed, noting that there are eight more nations with which we ought to come to terms. After discussing the geography of the Venezuelan coastline (marine frontage, vital and historical characteristics, insular frontage, configuration of the coast and Aves Islands) and analyzing the continental shelf, he began a full-fledged examination of the various treaties.

Borders with the Netherlands Antilles: described as very important from a strategic standpoint. Morales Paul explained the advantages and features of the treaty and how equitable principles were applied through the method of parallels and meridians, proportionality, etc, in accordance with the peculiar features of the area. The treaty acknowledged the "vital and historic" importance of Venezuelan marine traffic in the area, as well as the "mutual consent" needed to undertake activities that contaminate the seas or obstruct navigation.

The treaty also takes into account Venezuela's continental mass, applies criteria of proportionality between the coastlines involved and establishes boundaries that consolidate Venezuelan control over Aves Islands. The navigation regulations permit passage to and from Venezuela on an inalienable

basis, without exceptions even for security reasons. Provisions relating to mineral structures were taken so as not to prejudice any of the signatories, and, significantly, there was unanimous acceptance of the treaty.

In Morales Paul's view, the treaty sets a fundamental precedent, because it is a bilateral, not a trilateral treaty (as Colombia wanted), provides an autonomous outlet for Lake Maracaibo by setting boundaries between Aruba and Los Monjes, and expands the outlet to the Middle Caribbean, "thus forestalling any attempt to close off an outlet to the Caribbean."

In short, the treaty clearly attached importance to factors such as the "vital nature of the zone to Venezuela" and established important methods of discussion for us when we sit down to talk with other countries.

#### The Colombia-Dominican Republic Treaty

Morales Paul also analyzed the treaties signed with the United States, the Dominican Republic and France (Guadalupe and Martinique). He detailed the characteristics of each one but also outlined major similarities that lent consistency to the Venezuelan position and, therefore, reinforced the principles to be applied in other similar situations.

Nevertheless, he also criticized Colombia's stand in attempting to pin down Venezuela's position under its agreement with the Dominican Republic, which "seeks to ignore our country's presence in the Gulf of Venezuela." He recalled that there was good reason for Venezuela's strong opposition, because everyone should know that our nation is not going to allow itself to be locked in in the area. Morales Paul made the following clarification about our neighbor's action, however: The Venezuela-Dominican Republic treaty neutralizes any attempt to curtail our rights. The Venezuela-Dominican Republic treaty recognizes all of our country's marine areas by taking Los Monjes as the basis for the boundary line. The treaty acknowledges Venezuela's vital interests in the gulf and the Middle Caribbean.

#### Equity Is More Important Than Equidistance

Morales Paul's detailed description of the Aves Islands, to which we have inalienable historic rights, demonstrated the prime importance of their location. Venezuela's rights to the islands are based on the configuration of its coastline, its continental shelf, its geological structure, the islands' links with the mainland of Venezuela, their legal significance, their strategic importance for security and navigation and their economic importance.

The new member of the academy concluded from all of the above that in negotiating touchy points with Colombia and other friendly nations, we must act in good faith. Direct negotiations are the best way to resolve any dispute, because of the freedom that each country enjoys in tailoring its interests to the principle of equity and to the particular features of the area under discussion. In other words, they allow for a reconciling of interests.

All of these negotiations clearly reveal that Venezuela has been consistent. It has been fair in dealing with the aspirations and interests of its neighbors and has been able to preserve its own interests vis-a-vis the United States, France, the Dominican Republic and the Netherlands. There have been no winners or losers, just a clear view of the vital needs of all parties.

Venezuela will continue to do so, to keep on "preserving our vital and historic interests in the strategic area at the mouth of Lake Maracaibo and in the Gulf of Venezuela towards the Middle Caribbean," as the new member of the academy said about the previous treaties.

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## CALDERON BERTI CALLS FOR INCREASED COOPERATION IN CARIBBEAN

Caracas EL UNIVERSAL in Spanish 3 Aug 82 p 1-16

[Text] San Juan, Puerto Rico, 2 August (AP)--The Venezuelan minister of energy and mines, Humberto Calderon Berti, today called for "more intense cooperation" among the nations of the Caribbean Basin because, he said, "the future of the entire continent is at stake in what happens" in the region.

The Venezuelan minister made this comment here at the opening session of the 27th Convention of the Pan-American Union of Engineers Associations, which is being held in this capital from 2 to 7 August.

In criticizing the amount of money allocated under the Initiative for the Development of the Caribbean Basin, which the administration of U.S. President Ronald Reagan is promoting, Calderon Berti referred to the program sponsored by Venezuela and Mexico through the Latin American Energy Organization, "which aims at increasing coordination between the production and consumption of energy for the economic and social development of these nations."

He said that whereas Reagan's economic proposal for the countries of the region earmarked "only" \$350 million, the Latin American Program for Energy Cooperation has entailed a shared outlay of \$1 billion by Mexico and Venezuela over the 2 years it has been in effect.

He stressed that the program being sponsored by Mexico and Venezuela is an example of what "cooperation and understanding" among peoples mean, pointing out that over the 2 years that the Latin American Program for Energy Cooperation has been in effect, the two countries have contributed some 160,000 barrels of oil a day.

Furthermore, in a clear reference to the conflict in the Falklands and to American support for Britain, Calderon Berti said that "our nations will now have to view themselves differently. We cannot get up our hopes about aid from the outside."

He then added that energy-related efforts are very important in Latin America because, in his words, "Latin America's energy situation is full of contrasts."



For his part, the president of the Pan-American Union of Engineers Associations (UPADI), Pablo Gorostiaga, an Argentine, called for greater unity among professional engineers on the continent.

In his opening speech, he said that whereas the United States and Canada possess modern technology but have polluted environments, Latin America is a region that is "economically and technologically in the process of development, free from contamination and with areas that have not yet been developed."

After discussing the United States, Gorostiaga referred to the nations of Latin America as the "disunited countries of the south" and urged unity to achieve progress.

Representatives from 23 countries are attending the 27th UPADI Convention, whose agenda includes topics relating to the use of renewable energy, environmental problems and other allied issues.

At the same time meetings are being held on the teaching of engineering, renewable energy sources and their technologies, engineering economics and costs, and environmental engineering.

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## EDUCATION MINISTER EVALUATES CARIBBEAN CULTURAL PROGRAM

Caracas EL NACIONAL in Spanish 23 Jul 82 p C-2

[Text] Education Minister Felipe Montilla yesterday began evaluating the sociocultural assistance being granted under the cooperation program with countries in the Caribbean region.

Attended by representatives of the centers that Venezuela maintains in Aruba, Barbados, Curacao, Jamaica, Suriname, Guyana and Trinidad, the second session of the Cooperation Program in the Caribbean Area was inaugurated yesterday at the Education Ministry building on the corner of Salas.

Professor Jeremias Nunez, the director of the Office of International Affairs, inaugurated the session and then spoke with newsmen. According to him, the heads of the program will have a week of intensive activities from the 19th to the 23rd of this month, during which time they will decide on educational cooperation activities in the Caribbean region.

"All of this will be in keeping with the foreign policy guidelines that the Foreign Ministry sets forth and with the strategies worked out by the Education Ministry.

"We are currently evaluating the activity plans undertaken at each of the centers," asserted Professor Nunez.

In his judgment, this is an attempt to enhance Venezuela's program of aid to sister countries in the Caribbean, especially the non-Spanish-speaking ones.

The agenda for the first working day included the development of methodological strategies for the seminar and the presentation of reports by the heads of the centers in the various countries.

The main objective of the Cooperation Centers is to organize exchanges in the fields of education, literature, the arts, sciences and athletics and, in general, to foster all activities and initiatives that lead to a greater awareness in Venezuela and the Caribbean nations of each others' culture, history, geography, economy and customs, and all with an eye towards true regional integration.